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III

Japan

Miyazawa Links Yeltsin Visit to Islands Dispute

OW2508095592 Tokyo KYODO in English 0944 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—Prime Minister Kiichi Miyazawa on Tuesday told an emissary of Russian President Boris Yeltsin the Kremlin leader must recognize the priciples of Japanese sovereignty over four contested islands if his mid-September Japan visit is to be considered a success, according to Foreign Ministry officials.

Officials said Miyazawa made the call in a meeting with Yeltsin's chief of staff, Yuriy Petrov, who arrived in Japan on Saturday [22 August] to lay the groundwork for the president's planned September 13-16 visit.

Petrov was quoted as telling Miyazawa that Russian public opinion is not favorably disposed to a territorial deal and it will take time to come to an agreement with Japan on the future disposition of the islands.

He said that it would be difficult for the Russian Government to explain to its people Japan's call for sovereignty over the islands.

Miyazawa told Petrov it has been 47 years since the islands off Hokkaido were seized by the Soviet Army at the end of World War II.

"This is a long time to wait," he told the emissary.

Further on Meeting With Emissary

OW2508121792 Tokyo KYODO in English 1200 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—An envoy of Russian President Boris Yeltsin told Prime Minister Kiichi Miyazawa on Tuesday [25 August] that Tokyo's demand for Yeltsin to recognize its sovereignty over four disputed islands would not carry weight with the Russian people.

Foreign Ministry officials said Miyazawa told Yeltsin's chief of staff, Yuriy Petrov, Japan has waited long enough for a return of the seized territories and the success of the president's visit hinges on his recognition of Japanese sovereignty.

The substance of the meeting was acknowledged by Japanese officials as the coolest among the recent series of bilateral exchanges leading up to Yeltsin's visit.

The officials said Petrov, who arrived in Japan on Saturday [22 August] to lay the groundwork for Yeltsin's planned September 13-16 visit, said in the 40-minute meeting the Russian leader "completely supports" Miyazawa's reported remarks the visit must be an "historical event."

Miyazawa said for that to happen, Yeltsin must recognize the principle of Japanese sovereignty over Kunashiri, Etorofu, Shikotan, and the Habomai group of islets—all seized at the end of World War II.

"When I said President Yeltsin's visit should be an historical event, I meant that it would have great significance if we were to arrive at an agreement on this basic principle," he reportedly said.

Petrov said, "a certain period of time is necessary in which we must analyze the historical record with regard to the locus of sovereignty over these islands."

"While acknowledging a gap in our positions and recognizing the existence of this problem, we must strive to find a way of resolving it based on the principles of law and justice," the emissary was quoted as saying.

"If Japan is to stick to its call for the return of all four islands and for a recognition of sovereignty, it will be difficult for us to explain this domestically," he said, according to the officials.

Miyazawa, reminding Petrov it has already been 47 years since the islands off Hokkaido were seized, saying, "this is a long time to wait."

He said if Russia is to base its foreign policy on the principles of law and justice as it espouses, it must abide by its obligations under past treaties and joint declarations entered into by its predecessor, the Soviet Union.

The prime minister was apparently alluding to a 1956 joint declaration in which the Soviet Union promised to return Shikotan and the Habomai group to Japan after a peace treaty, but later reneged.

Foreign Minister Michio Watanbe, who will be traveling to Moscow on the weekend to meet with Yeltsin, told Petrov in separate talks Russia should acknowledge the mistakes of Stalinist expansionism, as Japan has apologized for its past military aggression in Asia.

Petrov said Japan should understand Yeltsin is burdened with a host of problems inherited from the Soviet Union, so time is needed to resolve the territorial issue.

Two Groups Leave To Visit Disputed Islands

OW2208035892 Tokyo KYODO in English 0340 GMT 22 Aug 92

[Text] Nemuro, Hokkaido Pref., Aug. 22 KYODO—Two Japanese groups left Hokkaido's easternmost port city of Nemuro on Saturday on board two training ships for Russian-held islands where members will visit family graves.

In the year's first such visit to the four disputed islands off Japan's northernmost main island, one 52-member group will visit Etorofu island, while the other 33-member group will travel to Shikotan island and one islet of the Habomai group, government officials said.

The four islands have been claimed by both Japan since the end of World War II when they were seized by the former Soviet Army. [sentence as received]

In addition to conducting memorial services, the group members are also scheduled to have parties with Russian residents in order to promote friendly relations, the officials said.

In September, second round of groups will visit Kunashiri island. A total of 205 Japanese are scheduled to visit the four disputed islands this year, they said.

Russia Agrees To Repay $40 Million to Firms

OW2508044492 Tokyo KYODO in English 0408 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—Russia has agreed to repay some 40 million dollars owed by the former Soviet Union to small and medium-size Japanese trading houses that specialize in trade with Russia, Japanese officials said Tuesday.

The agreement came last week when Tetsuo Sato, head of the Japan-Russia Trade Association, met with Deputy Prime Minister Valeriy A. Makharadze in Moscow, association officials said.

The association groups some 120 small Japanese trading houses that specialize in deals with Russia.

Under the agreement, Russia will lift a freeze on assets of trade organizations and corporations of the former Soviet Union to allow them to repay debts in cash.

Russia also pledged to guarantee repayment of debts owed by trade organizations of the former Soviet Union now under its jurisdiction, the officials said.

Details of repayment methods, including those on a company-by-company basis, remain subject to future negotiations, they noted.

Japanese trading houses have almost halted exports to Russia since problems of delayed payments by Soviet importers to Japanese firms surfaced two years ago.

Government Approves Imperial Visit to China

OW2508015992 Tokyo KYODO in English 0143 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—The Japanese Government on Tuesday formally decided that Emperor Akihito and Empress Michiko will visit China in October at the invitation of Chinese President Yang Shangkun, government officials said.

It will be the first-ever visit by a Japanese emperor to China.

The emperor and empress are likely to visit Xian and Shanghai as well as Beijing, the officials said.

They were originally expected to depart for China on October 22, but at the request of the Chinese, their visit will last six days from October 23.

Prime Minister Kiichi Miyazawa is expected to release a statement urging support for the visit, explaining that it will play a significant role in improving relations between Japan and China on the occasion of the 20th anniversary of the restoration of diplomatic relations between the two countries.

The government will dispatch advance teams made up of members of the Imperial Household Agency, the Foreign Ministry, and the National Police Agency to China to prepare for the visit.

On the eve of the cabinet's decision on the imperial visit to China, the Foreign Ministry informed Monday the United States, Taiwan, and South Korea of the visit through diplomatic channels, the officials said.

Much attention will be paid during the visit to the emperor's choice of words in reference to Japan's invasion and occupation of China prior to and during World War II. Chief Cabinet Secretary Koichi Kato has said the government "will not place any burden" on the emperor in this regard.

A former Japanese prime minister is likely to accompany the emperor and empress on their visit to China, according to government sources. Among those being considered are Toshiki Kaifu, Yasuhiro Nakasone, and Takeo Fukuda, the sources said.

The Foreign Ministry established a preparation committee headed by Vice Foreign Minister Hisashi Owada Tuesday for the imperial visit to China. The Imperial Household Agency and the National Police Agency also set up similar preparation committees on the same day.

Opposition Urges No Politics

OW2508081792 Tokyo KYODO in English 0736 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—All major opposition parties, except the Japanese Communist Party, welcomed the cabinet's decision Tuesday that Emperor Akihito and Empress Michiko will visit China in October.

Sadao Yamahana, secretary general of the Social Democratic Party, said his party supports the visit because it will strengthen friendly relations between the peoples of Japan and China.

Yamahana said that in view of the emperor's constitutional status as symbol of state, it would be necessary to resolve the question of the contents and method of the emperor's speech in China without making political use of the visit.

Komeito Secretary General Yuichi Ichikawa said the visit will contribute to the development of friendly relations between the two countries.

"It is important to build peaceful and friendly relations between Japan and China in light of the fact that we are determined there will never again be aggression or war," Ichikawa said.

Democratic Socialist Party Secretary General Takashi Yonezawa urged the government not to allow the visit to become a new hindrance to Sino-Japanese relations.

Yonezawa said "under no circumstances" should the visit be used politically.

Japanese Communist Party senior member Hisashi Miura said the visit already has political overtones.

Miura said the government has left unresolved the question of Japan's responsibility for aggression during World War II and is hoping the imperial visit will settle the issue.

Fire Said 'Harassment' Over PRC Visit Issue

OW2508083992 Tokyo KYODO in English 0828 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—A right-wing activist set a truck afire Tuesday [25 August] in front of Prime Minister Kiichi Miyazawa's official residence, in what officials suspect is a harassment to a government decision that Emperor Akihito will visit China in October. Police arrested the man on the spot.

Chief Cabinet Secretary Koichi Kato said he believes the incident was a protest against the cabinet decision earlier in the day to accept a Chinese invitation for Emperor Akihito to visit China from October 23 to 28.

Kato identified the man as Satoshi Katsurada, 31, a member of the nationalist Nihon Minzoku Seinen Domei (Japanese Nationalist Youth League).

The top government spokesman said he has not yet received a report of any statements by Katsurada that might indicate a motive for the alleged incident.

The truck was found ablaze at an intersection in front of the prime minister's office in central Tokyo shortly before 3 P.M.

It appeared that several propane gas canisters were burning in the back of the white pickup truck and the roar from the blaze could be heard in nearby buildings, an eyewitness said.

Police tried for 15 to 20 minutes to extinguish the fire with water, he said. Television pictures showed police dragging a man from the site.

Security authorities have been advised to remain on guard for further incidents ahead of the planned October visit to China by Emperor Akihito and Empress Michiko, Kato said.

Some Japanese conservatives have opposed the visit, the first ever to China by a Japanese emperor, saying they fear the emperor will be forced to apologize for Japan's aggression against China earlier this century.

Kato said earlier Tuesday the purpose of the visit is to deepen friendly relations, not to apologize.

This year Japan and China are observing the 20th anniversary of normalization of diplomatic ties.

Takeshita Meets With PRC Delegation 25 Aug

OW2508075492 Tokyo KYODO in English 0657 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—Former Prime Minister Noboru Takeshita told a Chinese delegation Tuesday he is happy that China and South Korea have established diplomatic relations.

In a 40-minute meeting with the delegation led by Chinese Communist Party senior member Yang Rudai, Takeshita said, "I fully back the setting up of diplomatic relations between Beijing and Seoul," according to Takeshita aides.

The former prime minister told the group he has desired the establishment of full diplomatic relations between Beijing and Seoul, adding he is very pleased that China decided to set up the diplomatic relations with South Korea.

On Monday, China and South Korea, adversaries in the 1950-1953 Korean war, signed a communique to establish full bilateral diplomatic relations.

Referring to senior Chinese leader Deng Xiaoping, Yang said he was in good health, the Takeshita aides said. Deng, who turned 88 on Saturday, is known as an architect of China's open door economic policies.

Yang was quoted as saying, "I swam with Mr. Deng in Beidaihe on July 24 and 25. He was in good health." Beidaihe is a northeastern Chinese resort where top Chinese leaders spend their summers.

Political Parties Welcome PRC-ROK Ties

OW2408100192 Tokyo KYODO in English 0903 GMT 24 Aug 92

[Text] Tokyo, Aug. 24 KYODO—The governing Liberal Democratic Party (LDP) and the leading opposition Social Democratic Party (SDP) welcomed the establishment Monday of diplomatic relations between China and South Korea.

LDP Secretary General Tamisuke Watanuki said the move will spur further development in political, economic and cultural relations between the two nations, as well as contribute to peace in northeast Asia.

Mitsuo Tomizuka, chief of the SDP's (?International) Bureau, said the latest development underscores China's attempts to normalize its relations with neighboring

countries, as well as South Korea's attempts to improve relations with Russia and China.

"It will bring epoch-making new developments for the peace and stability of the Asia-Pacific region, and it is most welcome," Tomizuka said.

Shogo Abe, the United Social Democratic Party's secretary general, said the diplomatic event has "tremendous significance" for the shaping of a new international order in the Asia-Pacific region.

"It's vital to further the formation of a peaceful framework in northeast Asia without isolating North Korea," Abe said.

SDP Leader on Support for UNTAC in Cambodia

OW2208131792 Tokyo KYODO in English 1147 GMT 22 Aug 92

[Text] Tokyo, Aug. 22 KYODO—Makoto Tanabe, chairman of the Social Democratic Party [SDP], pledged Saturday he will ask China to use its influence to persuade the Khmer Rouge in Cambodia to disarm, party officials said.

They said Tanabe made the pledge in a meeting with Yasushi Akashi, head of the United Nations Transitional Authority in Cambodia (UNTAC).

Tanabe will visit China Monday for talks with Chinese Communist Party Chief Jiang Zemin and other Chinese officials.

"The SDP opposed (the passage of peacekeeping cooperation legislation), but our wishes for the success of the entire peacekeeping operation and the UNTAC remain unchanged," an SDP official quoted Tanabe as telling Akashi.

Akashi told Tanabe and other SDP officials Japan will send 75 policemen to Cambodia in October as part of its contributions to the peacekeeping operations there.

Departs for PRC Visit 24 Aug

OW2408033292 Tokyo KYODO in English 0251 GMT 24 Aug 92

[Text] Narita, Chiba Pref., Aug. 24 KYODO—Social Democratic Party (SDP) Chairman Makoto Tanabe left Narita Airport on Monday for Beijing for a two-day visit to China.

Tanabe is scheduled to meet Chinese Communist Party General Secretary Jiang Zemin together with an SDP delegation currently visiting Beijing to mark the 20th anniversary of the normalization of Chinese-Japanese diplomatic ties, party officials said.

The SDP chairman will return to Tokyo on Tuesday, they said.

Akashi Says Khmer Rouge Stalling for Time

OW2508080392 Tokyo KYODO in English 0650 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—The head of the U.N. peacekeeping mission in Cambodia said here Tuesday the United Nations might opt for coercive measures to force the Khmer Rouge to comply with the Paris peace accords, according to Japanese Foreign Ministry officials.

The officials said Yasuo Akashi, chief of the U.N. Transitional Authority in Cambodia (UNTAC), made the remarks in a meeting with Prime Minister Kiichi Miyazawa.

Akashi, who arrived in Japan last Thursday on a week-long visit, did not elaborate as to whether the possible coercive measures would be economic or military in nature, they said.

He reportedly said UNTAC for now is confining its role to activities falling within chapter 6 of the U.N. Charter, which deals with the peaceful settlement of disputes.

But if Khmer Rouge "intransigence" continues, the U.N. Security Council may conclude after a hearing on the Cambodia issue in September that measures should be taken that go beyond Chapter 6 and also fall outside the framework of last October's U.N. Paris peace accords, the officials quoted Akashi as saying.

Akashi referred specifically to invocation of Chapter 7 of the U.N. Charter, which provides for such measures as interruption of economic activities and, if that is deemed insufficient, the use of military force, the officials said.

The Khmer Rouge has refused to implement the second phase of the Paris accords, involving the cantonment, disarmament and demobolization of troops. Its stand has jeopardized the success of the peacekeeping operations aimed at steering the country to elections next April or May.

But Akashi told Miyazawa that while he personally felt the Khmer Rouge would return to the peace process before such measures could be taken, they should be aware of the ramifications of an invocation of Chapter 7.

He called on China and Thailand, which he said have some degree of influence with the Khmer Rouge, to adopt a "tough posture" and help make the guerrilla group "aware of their predicament," the officials said.

Akashi said it is necessary for the Khmer Rouge to join the other three factions in the second phase of the peace process within September or in October at the latest if the schedule for the holding of elections is to be adhered to.

The Khmer Rouge recently rejected a proposed electoral legislation, saying it bolstered an alleged Vietnamese stranglehold over Cambodia.

Akashi said that while some in the West call for the holding of elections on schedule without the Khmer

Rouge, UNTAC holds that the wisest course of action is to have all four factions participate.

In subsequent talks with Foreign Minister Michio Watanabe, Akashi was quoted as saying he thinks the Khmer Rouge will eventually come around to accept the election law.

He said that there can be no holding of a free and fair election if the Khmer Rouge refuses UNTAC access to areas of Cambodia under its control. "They are stalling for time," Akashi said.

More Details of Sagawa Investigation Reported

OW2408160592 Tokyo KYODO in English 1522 GMT 24 Aug 92

[Text] Tokyo, Aug. 24 KYODO—Liberal Democratic Party (LDP) power broker Shin Kanemaru threw his electoral support behind a prefectural governor in 1989, informed sources said Monday.

Hiroyasu Watanabe, the former president of the now defunct Tokyo Sagawa Kyubin Co., made this known, the sources said.

Both Kanemaru, currently the LDP vice president, and Niigata Gov. [governor] Kiyoshi Kaneko, are reported to have received hundreds of millions of yen from Tokyo Sagawa Kyubin, which was earlier this year absorbed into Sagawa Kyubin Co.

Watanabe is reported to have contributed 500 million yen to Kanemaru for the July 1989 House of Councillors elections shortly after agreeing to join forces in supporting candidate Kaneko's successful bid to retain the Niigata governorship.

Kaneko is also reported to have received 500 million yen in campaign donations from the Sagawa Kyubin Group.

The Tokyo district public prosecutors' office is expected to question individuals connected with Kaneko's campaign to probe possible links between the gubernatorial election and alleged contributions to members of parliament.

The sources quoted Watanabe as saying Kanemaru helped persuade Kaneko's rival Osamu Takatori, a former cabinet member, to drop his bid for the governorship in a telephone call Kanemaru made from Taiwan, where he was vacationing.

"At that point we agreed on a single candidate," Watanabe was quoted as saying.

Takatori, a member of the LDP's biggest faction founded by former Prime Minister Noboru Takeshita and currently led by Kanemaru, was among the four hopefuls being considered for LDP backing.

Kaneko emerged as the LDP's top choice after Takatori withdrew.

Takatori denied Monday receiving a telephone call from Kanemaru urging him not to run for governor. "I abandoned my bid to avoid a split among the conservatives. No matter who says it, I did not receive money."

Kanemaru's senior secretary was not immediately available for comment.

Watanabe, who has been indicted on charges of aggravated breach of trust, and Kiyoshi Sagawa, founder of Sagawa Kyubin, both hail from Niigata Prefecture.

The parcel delivery group allegedly contributed over 2 billion yen to some 10 parliamentarians.

The prosecutors are believed to be examining whether the contributions were bribes or violations of the Political Funds Control Law.

LDP Begins To Draft Package To Boost Economy

OW2408130592 Tokyo KYODO in English 1246 GMT 24 Aug 92

[Text] Tokyo, Aug. 24 KYODO—Japan's ruling Liberal Democratic Party (LDP) on Monday began drafting what is seen as the most ambitious fiscal package in the nation's history to boost the sluggish economy, LDP sources said.

The package, to be adopted by the government on Friday, is expected to be on the order of 7 trillion yen, exceeding the 6 trillion yen economic stimulus package passed in 1987, when the economy was struggling under the yen's sharp appreciation against the U.S. dollar.

The emergency economic plan apparently includes an additional large-scale public works investment, a plan to acquire real estate held by financial institutions as collateral for large bad loans for future public works, and the formation of an entity to buy such real estate properties.

The LDP will start examining the stimulative measures proposed by the ministries concerned on Tuesday. Shizuka Kamei, vice chairman of the LDP's policy affairs research council, will then consult with the chairmen of relevant party councils Thursday.

The Policy Affairs Research Council is likely to finalize the plan by Friday so that the government will adopt it the same day, the sources said.

Public works spending by the central government is expected to jump by more than 3 trillion yen for planned bullet train projects, as well as the construction of a bridge between the main islands Honshu and Shikoku.

Local public works spending is also expected to be raised by as much as 1.5 trillion yen, the sources said.

The LDP further plans to boost lending by government financial institutions to smaller businesses by 2 trillion to 3 trillion yen.

Regrouping of Housing Loan Firms Considered

OW2408001592 Tokyo KYODO in English 2354 GMT 23 Aug 92

[Text] Tokyo, Aug. 24 KYODO—Financial authorities are mulling a plan to reorganize the nation's seven bank-founded housing loan companies into one or two entities over the next three years in a bid to help them relieve their burden of bad loans, financial sources said Monday.

The restructuring plan comes in line with a government idea to set up a special institution that buys real estate held by banks and other financial institutions as collateral against nonperforming loans, the sources told KYODO News Service.

The sources said the Finance Ministry and the Bank of Japan believe that the restructuring is a prerequisite for letting the housing loan firms sell off real estate through the planned real estate-buying corporation.

The housing loan companies have been tottering under the heavy weight of massive borrowings and nonperforming loans to real estate concerns.

The seven companies together had borrowings of more than 14 trillion yen at the end of March and their nonperforming loans are estimated at more than 3 trillion yen, according to industry sources.

Kato: No Public Funds for Property Liquidation

OW2408122792 Tokyo KYODO in English 1024 GMT 24 Aug 92

[Text] Tokyo, Aug. 24 KYODO—The government urged financial institutions Monday to make self-supporting efforts to liquidate nonperforming loans as well as real estate held as collateral for such loans.

Chief Cabinet Secretary Koichi Kato told a news conference that it is too early for the government to use public funds for amortization of the collateral property.

Kato made the remarks in connection with a comprehensive package of pump-priming measures expected to be adopted by the government later this month.

Disposal of bad loans and collateral property is primarily the kind of matter that should be dealt with by financial institutions, he said.

Commenting on Sunday's suggestion by Foreign Minister Michio Watanabe that the Bank of Japan provide loans with stocks as collateral, he said it also is a matter to be dealt with by private institutions.

Kato said the government will come up with a pump-priming package "as soon as possible."

Long-Term Prime Rate To Be Lowered 1 Sep

OW2408123092 Tokyo KYODO in English 1212 GMT 24 Aug 92

[Text] Tokyo, Aug. 24 KYODO—Japan's three long-term credit banks will lower the long-term prime lending rate to 5.7 percent per annum from the present 6.1 percent, effective September 1, financial sources told KYODO News Service Monday.

The sources said the reduction in the preferential interest rate on loans to most creditworthy clients will be officially announced in the near future.

It will be the first time since July 1989 that the long-term prime rate has declined to the 5 percent level. The rate hit a high of 8.9 percent in October 1990.

The sources also said interest rates on housing loans provided by commercial banks will be lowered from October.

The rate on housing loans with variable interest rates will be reduced to 5.7 percent per annum from the present 6.0 percent and that on such loans with fixed interest rates will go down to 6.60 percent from the present 6.78 percent, they said.

The sources said the cut in the long-term prime rate will follow the lowering of the yield on five-year interest-bearing bank debentures issued in August from 5.2 percent to 4.8 percent.

The yield on five-year debentures issued by the Industrial Bank of Japan stood at 4.76 percent on the secondary market Monday while those on debentures by the long-term credit bank of Japan and Nippon Credit Bank traded at 5.00 percent and 5.06 percent respectively.

The long-term prime rate is set at a level 0.9 percentage point higher than the five-year bank debentures.

Ministry To Forgo Public Offering of JR Shares

OW2408150892 Tokyo KYODO in English 1448 GMT 24 Aug 92

[Text] Tokyo, Aug. 24 KYODO—The Transport Ministry has little choice but to forgo the planned offering of East Japan Railway Co [JR]. Shares to the public for the current fiscal year which begins next March, ministry officials said Monday.

This is because the government and stock market participants have generally reacted favorably to the Finance Ministry's intentions to shelve planned releases of government-held shares in Nippon Telegraph and Telephone Corp. (NTT) and JR companies at least until the end of next March, the officials said.

The government holds more than 65 percent of NTT shares.

The Transport Ministry had planned to offer around two million East Japan Railway shares, or half its total outstanding shares, to the public by the end of this fiscal year so the stock would be listed around next February.

Minister Announces Halt to Plan

OW2508045892 Tokyo KYODO in English 0405 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—Transport Minister Keiwa Okuda announced Tuesday a halt of the planned public offering of East Japan Railway Co. shares within the current fiscal year, which ends next March 31.

Okuda told a press conference after a regular cabinet meeting that the decision is "not formalized yet," but that it has become difficult to carry out the plan amid Japan's current stock market slump.

He said the ministry is not worried about whether Japan Railway (JR) shares sell well or not.

The concern, rather, is that the massive sale of shares of the railway company, which is one of the privatized entities of the defunct Japanese National Railways, could worsen the demand-supply situation on the stock market, Okuda said.

He added the ministry will continue preparing with the Finance Ministry for a smooth implementation of the plan and to list the railway company, when the market conditions improve.

Hata Reiterates View of Deficit-Financing Bonds

OW2508033292 Tokyo KYODO in English 0315 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—Finance Minister Tsutomu Hata Tuesday reiterated his strong opposition to issuing deficit-financing bonds, brushing off a recent call by a senior cabinet member for the government to issue the bonds to finance a big fiscal stimulus package.

Hata told a press conference after a regular cabinet meeting that the government should "strictly refrain" from issuing such bonds.

Deputy Prime Minister and Foreign Minister Michio Watanabe on Sunday urged the issuing of the deficit-financing bonds to finance a powerful package of fiscal stimulus measures to be announced Friday.

Hata said that raising funds through issuing deficit bonds would result in the fiscal burden being left for the future generation to pay.

Hata also said the government will endorse the economic recovery package on Friday, immediately after the Liberal Democratic Party announces details of the package.

He said the government will hold a meeting of economic ministers on the day to approve the LDP plan, which is expected to contain additional fiscal spending of some 7 to 8 trillion yen for fiscal 1992.

On the proposed new institute for buying the land held by banks as collateral, Hata said that, generally speaking, the government should not finance such a scheme.

Japanese banks, under directions from the Ministry of Finance and the Bank of Japan, are working out the details of the scheme, which is aimed at helping banks liquidate their collateral real estate on the extremely sluggish property market, thereby making it easier for the banks to cope with the huge load of bad loans that are plaguing them.

Hata said, however, the government will support the project as much as possible to make it a success.

But he stressed the scheme is not yet clear enough to discuss concrete steps the government should take.

EPA Report Says Economy Still Slowing Down

OW2508020492 Tokyo KYODO in English 0112 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—Japan's economy is still slowing down amid the process of inventory adjustment, the Economic Planning Agency (EPA) said in a monthly report released Tuesday.

The report, approved by the Cabinet, noted that continued weaknesses were seen in almost all the latest economic data, with the sole exception of an apparent pickup in housing starts.

The report's wording in judging current economic conditions is "among the most bearish in monthly reports in 30 years," an EPA official said.

It said consumer spending has continued to shrink lately, with department store sales dropping in June by a year-on-year 4.0 percent and supermarket sales falling 1.1 percent.

New car sales fell a preliminary 7.8 percent in July from a year earlier, after falling 1.5 percent in June and 14.5 percent in May.

Housing starts showed some sign of recovery, encouraged by lower housing loan interest rates. New construction of privately owned houses rose a year-on-year 12.9 percent in June, and that of houses for rent rose 20.2 percent. Only construction of condominiums continued to show a sharp decline from a year earlier, the report said.

Private capital investment also kept slowing, with the manufacturing sector investment in the April-June period seen to have dropped 4.2 percent from a year earlier, it said.

Public works investment, on the other hand, rose a year-on-year 12.4 percent in June after falling 2.9 percent in May, the EPA report said.

Industrial output continued falling, with producer inventories still at relatively high levels.

The report said labor conditions are easing in some industries. The ratio of job offers to job seekers, which stood at 1.08 (108 jobs for every 100 job seekers) in June,

kept falling from 1.17 in April and 1.14 in May. The term "labor shortage" did not appear in the report for the first time in months.

Bankruptcies were hovering at relatively high levels, with more manufacturers and construction companies going bankrupt than other firms.

Domestic wholesale prices were softening, while consumer prices remained stable, the report said.

Miyazawa Says Economy in 'Critical State'

OW2508050692 Tokyo KYODO in English 0455 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—Prime Minister Kiichi Miyazawa said Tuesday the government, the ruling Liberal Democratic Party (LDP), and the Bank of Japan agree that the Japanese economy is "in a critical state."

Government officials said Miyazawa made the comment at a meeting of Cabinet ministers, who approved a monthly report of the Economic Planning Agency (EPA) on the national economy.

Miyazawa also said the government should carefully watch financial market trends in working out a package of measures to stimulate the sagging economy.

EPA Director General Takeshi Noda indicated at a news conference after the cabinet meeting that the government will adopt the package on Friday, the same day that the LDP works out its own version of a pump-priming package.

The government earlier was scheduled to adopt the measures next Monday.

International Trade and Industry Minister Kozo Watanabe told reporters that the government would avoid issuing deficit-covering bonds in connection with the pump-priming measures.

Watanabe said, however, that the possibility of issuing deficit-covering government bonds in the future should not be ruled out, saying Japan's economic growth is more important than its fiscal health.

Foreign Minister Michio Watanabe told a separate news conference that the present land tax system, including the land value and fixed asset taxes, should be reformed as part of the pump-priming measures.

He said studies should be pursued on such a reform if it is not included in the government's economic stimulation package.

Posts and Telecommunications Minister Hideo Watanabe told reporters that the package will include an expansion of the amount of postal insurance funds to be made available for stock investments as part of efforts to stabilize the slumping Japanese stock market.

He said he will seek the advice of the Postal Services Council on expanding the amount of postal insurance funds that could be invested in designated money trusts of Japanese trust banks through temporary loans to the Post Office Life Insurance and Annuities Welfare Corp.

The amount of such funds for fiscal 1992, which started April 1, is limited to 1.4 trillion yen.

Home Affairs Minister Masajuro Shiokawa told another news conference that under the pump-priming measures, about 3 trillion yen more will be made available to local governments for public works projects.

Ministry Expects 'Bigger' Tax Revenue Shortfall

OW2508055092 Tokyo KYODO in English 0531 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—The government will suffer a tax revenue shortfall of between 3 and 4 trillion yen in fiscal 1992, far bigger than the 2 trillion yen estimated at the beginning of the year, the Finance Ministry reported Tuesday.

The ministry said revenue from corporate taxes will be less than estimated due to the economic slowdown.

In addition, the ministry said income from tax on interest of deposits will fall 1.5 trillion to 2 trillion yen short of an estimated 27,279 billion yen due to a series of discount rate cuts by the central bank.

The ministry said this will be the first time since fiscal 1982 that the government's tax revenue shortfall exceeds 3 trillion yen.

The revenue drop topped 6 trillion yen in fiscal 1982 due to the economic stagnation caused by the second oil crisis.

The ministry said it estimated overall tax revenues in fiscal 1992 at 62,504 billion yen, with corporate taxes accounting for 18,122 billion yen.

If the economic slump drags on, the corporate income tax revenue shortfall may exceed 4 trillion yen, the ministry said.

The ministry will revise downward its tax revenue projection when a supplementary budget will be compiled in October, ministry officials said.

Central Bank: Economy Still on Downward Path

OW2508101092 Tokyo KYODO in English 0938 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—The nation's economy remains on a downward path with inventory adjustment delayed and consumer spending losing steam at a more rapid pace as the labor market eases, the Bank of Japan (BOJ) said Tuesday.

In its monthly profile of financial and economic conditions, the central bank said inventory adjustment has temporarily stopped making progress, and companies will have to continue to strictly curb production for longer than originally expected.

The bank also said the supply-demand balance in the labor market is notably easing from its former tight condition.

Individual consumption is decelerating, especially spending on clothing and durable goods, amid a gradual decline in income growth, it said.

All these factors are contributing to maintain the downward trend of the economy despite updrafts stemming from brisk public works spending by the government.

"It can't be denied that for the moment downward momentum remains stronger than upward momentum," said a BOJ official briefing reporters.

But the official stressed that the central bank has made no major modifications in its view of the country's economic health in the past month.

He admitted, however, that the latest profile indicates an increasingly evident easing of the labor market.

The BOJ said inventory adjustment turned stagnant in the April-June quarter after a marked advance in the previous three months.

In the downstream manufacturing sector, stockpiles actually grew in June, especially those of cars and home electric appliances like air conditioners, despite strict production cutbacks, due to sluggish shipments.

But as companies keep cutting production and final demand recovers, albeit gradually, inventory adjustment will start progressing again, the bank said.

Corporate capital investment is slowing in the manufacturing sector under strong pressure for capital stock adjustment and deteriorating corporate profits due to falling capacity utilization rates.

Investment in plant and facilities in the nonmanufacturing sector, however, remains brisk partly due to the front-loading of capital spending by electric utilities as part of the government's fiscal stimulus package announced at the end of March.

Basic Lending Rate To Fall to 5.7 Percent

OW2508102692 Tokyo KYODO in English 0957 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—The basic lending rate charged by Japan Development Bank and other governmental financial agencies will be lowered by 0.4 percentage point to 5.7 percent per annum, effective September 1, the Finance Ministry said Tuesday [25 August].

The rate reduction will be included in the economic stimulative package to be released by the government and the ruling Liberal Democratic Party (LDP) on Friday [28 August].

The move, which follows the announcement of a 0.4 percentage point cut in the long-term prime lending rate, also from September, will bring the basic lending rate to the 5 percent level for the first time in three years and three months.

The ministry expects the rate cut to augment the effects of a planned expansion of quotas on loans by governmental financial institutions to small and medium-sized companies, creating demand for capital spending.

DA Announces Reorganization of SDF Units

OW2308131692 Tokyo NHK General Television Network in Japanese 1000 GMT 23 Aug 92

[Text] In an effort to improve efficiency and modernize equipment, the Defense Agency [DA] plans to abolish next year a 1000-man infantry regiment of the Ground Self Defense Force [GSDF] stationed in Uji-shi, Kyoto while simultaneously organizing new forces—including surface-to-underwater missile troops. The DA plans this move in accordance with the new mid-term defense program which defines the policy in the defense program for the five years between 1991 to 1996.

In FY93 the 45th Infantry Regiment stationed at Fort Okubo in Uji-shi, Kyoto will be dispersed. The regiment is an infantry contingent composed of about 1000 men. The GSDF plans to employ the personnel left over from the disassembled regiment to form other modernized forces, including a surface-to-underwater missile force to be newly established in Hokkaido.

MITI Plans To Build Own 'Silicon Valley'

OW2408100092 Tokyo KYODO in English 0911 GMT 24 Aug 92

[Text] Tokyo, Aug. 24 KYODO—The Ministry of International Trade and Industry will establish a base for research and development of the information industry to start operation in 1994, ministry officials said Monday.

"Soft park," a Japanese version of "silicon valley" in the United States, is aimed at integrating information businesses such as computer software firms to pursue effective research and development, the officials said.

A tertiary sector, a joint venture among central and local governments, banks, and computer makers, will be set up with capital of some 1.5 billion yen by next spring to operate the park, they said.

Details such as the amount of investment by local governments and the acquisition of a site are about to be finalized.

The park will be located either in Tochigi Prefecture in the Kanto area, or Shizuoka Prefecture in the Chubu area, they said.

As the first step, the ministry will set up a core institution "testing center" to check the application of software under development by connecting computers with local area networks in companies, they said.

It also plans to build housing within the park with a view to establishing facilities with work places adjoining residences.

Agency To Extend Overseas Environmental Aid

OW2508033192 Tokyo KYODO in English 0307 GMT 25 Aug 92

[Text] Tokyo, Aug. 25 KYODO—The Environment Agency said Tuesday it plans to provide financial assistance to several nations for joint pilot projects on environmental protection for selected areas next fiscal year.

The five-year projects will be designed to construct models of sustainable use for four types of environments, taking into account the protection and utilization of those areas' specific resources.

The agency plans to request 31 million yen in the first year for the projects.

Among the projects' aims will be the protection and survival of numerous tropical rain forest plants and animal species, such as the Sumatra rhinoceros, the orangutan and the preservation of wetlands used by migratory birds.

The agency will also provide assistance to projects to preserve endangered species in mountain and high area environments, such as the Himalayas, as well as in coral reefs in Southeast Asia and the southern Pacific Ocean.

Sources in the agency said two examples from each of the four types of environments will initially be chosen for the projects in cooperation with local authorities.

The agency will apply experience and data collation techniques used in monitoring the areas' flora and fauna.

It will also attempt to develop strategies for environmental preservation that do not place a burden on developing countries.

The sources said the biodiversity convention, which Japan signed at the Earth Summit in Rio de Janeiro in June, stressed the importance of environmental protection and that the projects are an attempt by Japan to make good those intentions.

North Korea

Kim Il-song Meets With Cilreco Secretary General

SK2508113792 Pyongyang KCNA in English 1050 GMT 25 Aug 92

[Text] Pyongyang, August 25 (KCNA)—The great leader President Kim Il-song today received Guy Dupre, secretary general of the International Liaison Committee for Reunification and Peace in Korea (Cilreco), and his party on a visit to Korea.

Song Ho-kyong, vice-director of a department of the C.C. [Central Committee], the Workers' Party of Korea, was on hand.

President Kim Il-song conversed with the guests in a cordial and friendly atmosphere.

The guests presented him with a gift.

He arranged a luncheon for them.

Daily Denounces South's Treatment of Yi In-mo

SK2508055092 Pyongyang KCNA in English 0459 GMT 25 Aug 92

["Inhumane Criminal Act Against Old Yi In-mo"—KCNA headline]

[Text] Pyongyang, August 25 (KCNA)—The fact that old Yi In-mo, a former war correspondent of the Korean People's Army, was taken to an isolated islet on the South coast and persecuted for nearly a week has been disclosed through a South Korean newspaper report. Nevertheless, the South Korean authorities are now spreading the false report that old Yi "went to a summer resort" of his own accord, feeling "sorry" that the exchange of old parents' visiting groups had "ended abortive" because of him.

Commenting on this, a news analyst of NODONG SINMUN today brands this as a despicable inhumanitarian and perfidious act, as a shameful jargon to conceal their inhumane persecutions of him.

The analyst goes on:

Yi is a septuagenarian who became a cripple due to tortures and persecutions he suffered in prison for 34 years and, subsequently, is now in his sickbed, unable to rise to his feet.

Worse still, he is under the constant watch of the "Security Planning Board" [SPB] and police, listed by the South Korean authorities as "an object of custody and observation." What with mental persecutions and what with physical confinement, he cannot leave home unnoticed by "SPB" men, to say nothing of traveling to a remote islet on the South coast. This is clear even to a mere child.

The confinement and persecution of old Yi at an isolated islet by the South Korean authorities was a deliberate and premeditated act to keep their inhumane acts of persecution of old Yi from being known to the world through South Korean students and dissidents who come to console him and to drive the exchange of old parents' visiting groups to a failure.

The South Korean authorities can neither conceal the truth behind their inhumane and perfidious crime in persecuting old Yi nor shirk their responsibility for the failure of the exchange of old parents' visiting groups and the aggravation of North-South relations, whatever tricks they may employ.

'Brutal Suppression' of Chondaehyop Viewed

SK2508104992 Pyongyang KCNA in English
1006 GMT 25 Aug 92

["Suppression of Chondaehyop and Patriotic Students"—KCNA headline]

[Text] Pyongyang, August 25 (KCNA)—NODONG SINMUN today hits out at the brutal suppression of the National Council of Student Representatives (Chondaehyop) and patriotic students by the South Korean authorities.

The South Korean authorities recently held a trial on the appeal of Kim Chong-sik, fourth-term chairman of Chondaehyop, at the Supreme Court and confirmed the original sentence of four years in prison and the same term of disqualification.

The South Korean rulers also arrested student Tae Chae-chun, sixth-term chairman of Chondaehyop, and hardcore students, and some 80 other students on the charge of involvement in the third pan-national rally for peace and reunification of Korea.

They mercilessly knocked down students by brandishing 1.2 metre long bamboo swords embedded with iron, square sticks and iron pipes.

That the South Korean authorities incriminate students' movement for reunification and brutally suppress them proves that they are cleanly indifferent to national reunification but seek only fascism and division.

They should look squarely at the reality and immediately stop fascist repression of Chondaehyop and students and release without delay unreasonably arrested patriotic students and people including the chairmen of Chondaehyop.

Party Blames South for 'Deadlocking' Exchanges

SK2508114392 Pyongyang KCNA in English
1054 GMT 25 Aug 92

[Text] Pyongyang, August 25 (KCNA)—Chong Sin-hyok, chairman of the Central Committee of the Chondoist Chongu Party, issued a statement to the press on August 25, denouncing the South Korean side for deadlocking the exchange of old parents' visiting groups and art troupes agreed on between the North and the South.

The exchange of old parents' visiting groups and art troupes is a humanitarian and compatriotic work to meet the ardent desire of the families and relatives separated in the North and the South and a special work intended to implement the North-South agreement which was solemnly declared before the whole nation, Chong Sin-hyok said.

Recalling that the South Korean authorities have laid artificial obstacles in the way of the exchange of visiting groups arranged by the active efforts of our side, he said:

If the South side had been interested even a little in this work, it would not have taken such action as bringing forward preposterous "nuclear inspection" problem or staging the large-scale military exercise against the dialogue partner.

It cannot be construed otherwise than a premeditated provocation to frustrate this work that the South Korean authorities laid a hurdle in the exchange of the old parents' visiting groups and art troupes, raising the "nuclear porblem" as a precondition.

The South Korean authorities and Red Cross must bear full responsibility for leading the exchange of visiting groups and art troupes which is under the expectation and concern of all the fellow countrymen to the crisis of a break-off, Chong Sin-hyok declared.

Party Urges South To Discard 'Wrong Stand'

SK2508115392 Pyongyang KCNA in English
1059 GMT 25 Aug 92

[Text] Pyongyang, August 25 (KCNA)—If the South Korean authorities continue to resort to perfidious acts, having driven the exchange of old parents' visiting groups and art troupes to a failure, they would face a stern judgement by history as traitors to the nation, as the enemy of reunification, warned Yi Kye-paek, chairman of the Central Committee of the Korean Social Democratic Party, in a press statement today.

The failure of the exchange is attributable to the South Korean side's perfidious and treacherous obstruction, he said, adding: It ended abortive because they put the brake on the implementation of the agreement by raising the "nuclear problem" which has nothing to do with the exchange and are now staging "Focus Lens" joint military exercises against us.

Why did the South Korean authorities sign the North-South agreement on reconciliation and exchange, if they were so afraid of sending a 100-member visiting group of old parents to the North, he asked, and stressed:

We strongly urge the South Korean authorities to discard their anti-national, inhumanitarian wrong stand and

attitude and effect a switchover toward a faithful implementation of the North-South agreement before it is too late.

South Korean Economy Termed 'Incurable Malady'

SK2308110192 Pyongyang KCNA in English 1018 GMT 23 Aug 92

["Incurable Malady"—KCNA headline]

[Text] Pyongyang, August 23 (KCNA)—The stock market price falling in South Korea is an inevitable outcome of the anti-popular economic policy of the present "Sixth Republic regime" and a reflection of the serious economic crisis, says NODONG SINMUN in a commentary today.

Noting that the stock quotations are on a steady decline and the stock market is in danger of collapse due to the ever worsening economic crisis in South Korea, the news analyst says:

This tells that the South Korean economy is facing a serious crisis as a whole.

What the present South Korean ruler and his "Sixth Republic regime" have done is that they have helped the U.S. and Western monopoly businesses rake in excessive profits through their treacherous market-opening policy and driven the economy and people's living to bankruptcy through their "bleeding export" policy and feathered their own nest through such extra-large scandals as the suso housing scandal, the land scam involving plots of land owned by the "intelligence command" and the mobile communications scandal.

In actuality, foreign trade which they call the lifeline of the South Korean economy registered deficits to the tune of more than 10,000 million dollars last year alone, debts with other countries going beyond the 40,000 million dollar mark again.

The economic crisis led to the shutdown of 3,931 firms during the first half of this year alone.

The near collapse of the stock market and the crisis of total bankruptcy befalling the economy in South Korea are attributable entirely to the "Sixth Republic regime's" economic policy of flunkeyist treachery and dependence on outside forces.

The catastrophic crisis of the South Korean economy and the subsequent stock market price slump are an "incurable malady."

South's Postponement of Local Elections Viewed

SK2408105492 Pyongyang KCNA in English 1002 GMT 24 Aug 92

["Insidious Attempt To Hold 'Elections' by 'Government Power'"—KCNA headline]

[Text] Pyongyang, August 24 (KCNA)—The South Korean administration authorities are now trying to abuse the revised "law" that allows town, township and tong [units making up a district] chiefs to continue their work even after the expiration of their term in the "presidential election" slated for the yearend.

Commenting on this, a NODONG SINMUN analyst today says: This vividly shows that the South Korean rulers are attempting to keep a tighter hold on them who directly deal with the population at the lowest administrative units and use them for the extension of their power.

The analyst goes on:

According to a report, the town, township and tong chiefs whose term will expire next year account for 40 to 50 percent of the total in South Korea. It is clear that they will stand on the side of the authorities in the forthcoming "presidential election" to keep the pot boiling.

The South Korean authorities are now concentrating all the powers of the administration and party on the "presidential election."

While postponing for an indefinite period the "elections of chiefs of local autonomous bodies" which the people and dissident democratic forces strongly urge to be held within this year for a fair election, the South Korean authorities and the "Democratic Liberal Party" do not bother to conceal their scheme to rig the "election" by means of "government" power with the help of the "chiefs" appointed by them.

Facts fully reveal that they are getting more desperate with every passing day leaving no stone unturned in a bid to stay in power.

Electric Power Plants Increase Production

SK2208152292 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 13 Aug 92

[Interview with Yi Hui-sop, functionary of the Power Plant Guidance Bureau of the Power Industry Committee, and Chon Pyong-nim, deputy director of the General Production Bureau of the committee; by Yi Hak-se, reporter of the Central Broadcasting Committee; date and place not given—recorded]

[Text] [Yi Hak-se] Socialist construction sites in our country, which are further consolidating the foundation of our self-reliant national economy under the leadership of the dear leader Comrade Kim Chong-il, demand more electricity these days. Electric power producers throughout the country, under the Power Industry Committee, are following the party's intent and waging a more vigorous labor struggle to produce and supply more electricity in conformity with these demands.

[Yi Hui-sop] Yes, you are right. Electric power producers at hydroelectric power plants throughout the country are

operating power generation facilities at full capacity, following the lofty will of the dear leader Comrade Kim Chong-il, who is making every effort to improve the people's standard of living under the popular masses-centered socialist system of our own style. As a result, during one month recently hydroelectric power plants in various areas each produced 200 kilowatts of electricity more compared with the same period last year.

In particular, Hochongang Power Plant and Changjingang Power Plant have produced 100,000 more kilowatts of electricity everyday by astutely establishing plans to increase power production and by vigorously waging a struggle to operate all generation facilities at full capacity. Kanggye Youth Power Plant and 17 March Power Plant have also been successful in electricity production. Electric power producers at these plants are making innovations in electric power production by improving water management. These power plants are operating [passage indistinct]. As a result, they have produced more electric power this month than the same period the previous month.

[Chon Pyong-nim] Electric power producers at not only hydroelectric power plants, but also thermal power plants are vigorously waging the struggle to increase power production. Electric power producers at thermal power plants are regularizing power production at a high level by astutely establishing measures during the recent rainy season and by enhancing the quality of the repair of generation facilities.

In particular, during one month recently Pukchang Thermal Power produced 24 million more kilowatts of electricity than the same period last year. Sunchon Thermal Power Plant also increased power production by 25 percent over the same period (?last year). Besides these power plants, Pyongyang Thermal Power Complex and Chongchonggang Thermal Power Plant are also properly increasing electric power production.

Functionaries in the Power Industry Committee will give priority to political work in conformity with the burning zeal of electric power producers throughout the country and strengthen economic organizational work among them so as to produce more electricity.

Execution of Party's Economic Policy Stressed

SK2508061792 Pyongyang Korean Central Broadcasting Network in Korean 0007 GMT 19 Aug 92

[NODONG SINMUN 19 August editorial: "Party Organizations Should Implement the Party's Economic Policy Vigorously"]

[Text] The struggle to advance socialist economic construction is a struggle to implement the party's economic policy.

Party organizations in all areas and all units of national economy are now required to effect constant upsurge on all fronts of socialist construction by thoroughly implementing the party's economic policy.

Dear leader Comrade Kim Chong-il has indicated: Party organizations and functionaries should pay primary attention to implementing the great leader's teachings and the party's policy and should take total responsibility for all work in pertinent units.

Our party constantly puts forward the correct economic policy in compliance with our party's aspirations and with the practical demand of socialist economic construction in our country. Our party's economic policy is comprehensive. It contains all issues: from goals and tasks of struggle that should be implemented in socialist construction, to the method of their implementation.

Therefore, if one advances by firmly grasping the party's economic policy, one will be able to resolve all difficult and complex problems in socialist economic construction.

Through practical struggle in the revolution and construction, our people came to firmly believe that our party's economic policy is the only precise guideline in socialist economic construction and that when we thoroughly implement the party's economic policy, we can make constant innovations and perform miracles in production and construction, and can further promote the people's standard of living.

By cherishing pride in the fact that the chuche-based economic policy put forward by our party is the best, our functionaries and workers firmly resolved to dedicate all of their wisdom and passion to thoroughly implementing this policy. Party organizations at all levels should continuously and persistently push ahead with the struggle to implement more thoroughly the party's economic policy in compliance with the enhanced spirit of the party members and workers. Most important in doing so is for party organizations to intensify their policy-related guidance [chongchaekjok chido] and political guidance over economic work. The party's guidance over economic work is, in essence, policy-related guidance and political guidance.

Party organizations should guide economic work based on politics and should do administration and economic work in a way that awakens and inspires the people. By doing so, they can consistently carry out our party's chuche-based economic policies and methods, such as building a self-reliant national economy. In addition, economic party work can be done satisfactorily.

Party organizations at all levels should discuss collectively without fail all problems that arise in implementing the party's economic policy. They should assume it as an ironclad rule to operate and execute all work from this position.

At the same time, they should regularly discuss the issue of implementing economic tasks and should fully demonstrate democracy [minjujuirul palyang hada]. Thus,

they should discuss and decide on concrete methods to correctly implement the policy-related tasks and should organize assignments.

It is important to establish a strict rule that issues which were sufficiently discussed, agreed upon, and decided by the party committee are to be executed.

Party organizations should regularly comprehend how the issues that were discussed and decided upon are being carried out, and should review them. They should establish measures to finish incomplete tasks. Thus, they should establish a revolutionary outlook of satisfactorily implementing all policy-related tasks without fail.

The important issue in thoroughly implementing the party's economic policy is for party organizations at all levels to actively inspire party members and workers to innovations and feats by giving priority to organizational and political work. Organizational and political work is important. It should not be overlooked in the struggle to implement the party's economic policy.

Party organizations should guide economic work in a political and party-oriented [tangchok] way, not in an administrative and business-like [haengjong silmujok] way. By doing so, they can inspire and arouse the revolutionary zeal and creative activity of functionaries, party members, and workers so that they can finish their assigned economic work satisfactorily.

Party organizations at all levels and party functionaries should enable party members and workers to complete the party's policy-related tasks assigned to their units and methods for implementation. In addition, party organizations at all levels and party functionaries should encourage all party members and workers to do their work, aware of their aims and goals, by correctly realizing the party's intention and tasks—which they should implement—and to highly display the attitude worthy of masters and initiative in implementing the assigned economic tasks.

In order for functionaries to actively embody the party method and political method in guiding the economic works, they should do the work in a style displayed by commanders of the anti-Japanese guerrilla units.

All commanders of the anti-Japanese armed struggle did political work by thoroughly mingling with their unit and eating the same food with them, and resolved all problems in such a way as to actively inspire their revolutionary zeal and creative activity.

When all functionaries inspire the masses' idea according to the demand of anti-Japanese guerrillas' work method, the problem of increasing production of electricity, coal, iron and steel products; the problem of creating a new construction speed in building major plants and facilities, as well as houses; and the problem of effecting a great upsurge in agricultural production this year—a bumper harvest year—can be all resolved satisfactorily.

The important issue in thoroughly implementing the party's economic policy is that party secretaries, managers, and chief technicians, as responsible functionaries in enterprises, manage the businesses satisfactorily while closely cooperating with each other by enhancing their responsibility and role. This is an important demand which should be observed without fail in the struggle to implement the party's economic policy to enhance the responsibility and role of functionaries. Only when collective guidance and responsibility of individuals are correctly combined, can one revolutionarily push ahead with the work to implement the party's economic policy.

As our party stressed, party secretaries, managers, and chief technicians are the responsible functionaries assigned with the party-oriented [tangjoguro] and technological responsibility for the enterprise.

To intensify collective guidance functions of party committees, the party secretaries, managers, and chief technicians—responsible functionaries of enterprise—should be firmly unified and simultaneously enhance their responsibility and role. Only when the responsible functionaries of enterprises responsibly carry out the works assigned by the party in firm unity according to the demand of the Taean work system, can all tasks to implement the party's economic policy be carried out thoroughly and unfailingly.

To vigorously push ahead with the struggle to implement the party's economic policy, the role of the party's functionaries, including party secretaries, should be enhanced. Responsible party functionaries should correctly organize activities of party committee and regularly comprehend and support the committee members' implementation of the party assignments. They should also set a fine example in executing the party's decisions.

Responsible party functionaries should firmly unite the masses with the party by paying primary attention to the work with the people according to the party's intention and should actively inspire functionaries, technicians, and producing masses to implement the party's economic policy through party-oriented and political methods.

Party organizations should encourage administrative and economic functionaries to display a lofty sense of responsibility and initiative by realizing that the party policy-related tasks given to their units are a grave mission assigned by the party which they should fulfill responsibly.

Based on their concrete understanding of the actual condition of production, the economic guidance functionaries should assiduously carry out the economic organizational work and guarantee work to prevent even a minor lack of preparation in enterprise management. Thus, they should make persistent efforts and make a strong demand so that the party's economic policy is thoroughly accomplished.

At the same time, they should strictly establish system and discipline in economic management and strengthen the discipline in planning, labor administration, and production. By giving priority to technological development, they should carry out economic organizational work based on the principle of increasing economic efficiency and enhancing the quality of products.

Constant technological innovations and more complete preparation for technological production are a requirement for normalizing the production at a high level and for satisfactorily carrying out the party's economic policy by enhancing the enterprise management onto a higher level.

Party organizations at all levels should encourage technological functionaries, including chief technicians, to innovate technology and facilities through constant contemplation [sasaek], energetic research, innovative proposals, and bold practice in a bid to produce and build more.

All technicians should realize that only when technology is renovated can production be constantly increased and can the assigned economic tasks be carried out satisfactorily. They should operate and carry out all works based on the outlook on technological innovation and further strengthen creative cooperation with producing masses.

Newspaper Article Notes People Live in Harmony

SK2508110292 Pyongyang KCNA in English 1010 GMT 25 Aug 92

[Text] Pyongyang, August 25 (KCNA)—That the people live a harmonious life like one family is the true look of the Korean society, which is unthinkable in the capitalist society, says NODONG SINMUN in a signed article today.

Noting that the characteristics of social life and the look of a society are mainly defined by human relationship covering social life as a whole, the article continues:

The harmonious life of the Korean people finds expression, first of all, in that they help and lead each other forward in the aspects of ideology and purpose, morality and obligation.

It is a proud reality of our society, something unimaginable in the capitalist society, that all the people sincerely help and lead each other forward under the communistic motto "one for all and all for one ".

The harmonious life of our people finds manifestation also in that they cooperate with each other in the work to carry the design and intention of the party into reality and in all spheres of life.

If something happens in work and life, our people consult each other to find out a solution and resolve it by the united efforts of the collective. This is the collectivist ideological point of view and traits of life of our people today.

How harmoniously the Korean people live today is clearly seen in that the beautiful deed of unhesitatingly donating one's blood and flesh and dedicating even lives to others is quite common in the whole of society.

For the people to live in harmony is of great importance in bringing the advantages of socialism into full play, the paper says, and adds:

This makes the whole society permeate with the noblest and sound life suited to the collectivist nature of man and brings up people to be powerful beings, thus dynamically accelerating social development.

The harmonious life enjoyed by the Korean people traces its origin to the noble virtues of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il who love the people with tenderest heart.

South Korea

Foreign Minister Comments Upon Return From PRC

SK2508085292 Seoul YONHAP in English 0838 GMT 25 Aug 92

[Text] Seoul, Aug. 25 (OANA-YONHAP)—South Korean Foreign Minister Yi Sang-ok returned home Tuesday [25 August] after a three-day visit to China for Seoul-Beijing diplomatic normalization.

"China will keep its status as signatory of the Korean armistice," Yi told reporters in an airport press conference.

"It will continue to participate in the Military Armistice Commission," he said, explaining that diplomatic normalization would not affect treaties the two countries joined or signed.

Yi said Seoul had not yet considered concluding a friendship pact with China, but added: "We will review the possibility when bilateral relations improve."

Seoul would keep trying for dialogue and cooperation with North Korea, and Seoul-Beijing diplomatic normalization was not meant to isolate Pyongyang, the foreign minister told reporters.

"We hope that North Korea will join the international trend of reconciliation and cooperation and resolve the nuclear problem standing in the way of improved relations with Japan and the United States," Yi said.

As for China's participation in the Korean war (1950-53), the foreign minister said, "We brought up the unfortunate past between the two countries during our visit, and China expressed regrets over its participation in the war, saying it was inevitable because its national boundary was threatened and that it should not occur again."

"It is more important now to cooperate for peace on the Korean peninsula, in Northeast Asia and in the world than to discuss the past at this point," he said.

The minister repeated the government's denial that Seoul was providing Beijing with 2 billion U.S. dollars in economic assistance for normalization.

"Such a matter was never even raised in the course of normalization negotiations."

Plans To Open Consulates in PRC Cities Noted

SK2208061192 Seoul YONHAP in English 0558 GMT 22 Aug 92

[Text] Seoul, Aug. 22 (YONHAP)—South Korea will seek to establish consulates-general in Shanghai, Guangzhou and Shenyang in the shortest possible time, an informed government source said Friday [21 August].

In addition, it will replace private-level agreements on trade and investment with inter-governmental agreements to improve exchanges and cooperation, sign an aviation agreement to open direct Seoul-Beijing flights, and ink a double taxation prevention agreement.

"Signing various agreements with the Chinese Government is a must for improving relations and cooperation between the two nations," the source said.

"The government plans to propose to the Chinese that bilateral aviation talks be opened in September for early conclusion of the pact, while propelling the conclusion of agreements in such areas as culture, science-technology cooperation, trademark and patent rights, and utility model patent."

The government will have talks with Taiwan on adjusting relations after diplomatic ties are severed, and send private delegations to Taipei to deliver the government's intention to retain cooperative relations with Taiwan in the private sector.

Seoul was studying the establishment of a representative office in Taipei to issue visas and protect Korean nationals.

ROK, PRC To Launch Private Economic Council

SK2408061892 Seoul YONHAP in English 0526 GMT 24 Aug 92

[Text] Seoul, Aug. 24 (YONHAP)—South Korea and China will launch a private economic council on Wednesday [26 August] and the Korea Chamber of Commerce and Industry (KCCI) will be in charge of the Korean side, the Trade and Industry Ministry said Monday.

KCCI Chairman Kim Sang-ha will head the Korean side, the ministry said. KCCI has private economic councils with Mongolia, Vietnam and six eastern European countries.

Korea has operated a private economic council with Taiwan for 10 years since 1982. The council is managed by the Korea Foreign Trade Association.

Banks 'Lining Up To Advance Into China'

SK2408041492 Seoul YONHAP in English 0136 GMT 24 Aug 92

[Text] Seoul, Aug. 24 (YONHAP)—South Korean banks are lining up to advance into China after normalization of ties between the two countries.

The Korea Development Bank and the Commercial Bank of Korea are to set up offices in Beijing and Shanghai, respectively, in the near future, and the Exchange Bank of Korea opened one in Beijing last month.

Other commercial banks, including Hanil and Korea First Banks are hastening to set up branches or offices in China, while settling correspondent agreements with Chinese banks to support Korean businesses there.

The Bank of Korea [BOK] is currently considering opening a Beijing office to collect information on the economy of the country, an official at the central bank said.

BOK's office in Hong Kong studied the situation in China in the past, he said, explaining that it cannot afford to move to Beijing as it is too involved in observing international affairs of Hong Kong and dealing with Korean businesses in the British colony.

He added that BOK would open an office in Beijing only after the advancement of other special and commercial banks.

Taiwan Ambassador Returns to Taipei

SK2508024592 Seoul YONHAP in English 0123 GMT 25 Aug 92

[Text] Seoul, Aug. 25 (OANA-YONHAP)—Taiwanese Ambassador Charles Shu-chi King and his wife left Seoul for the last time Monday [24 August] night after bilateral relations were officially severed due to Seoul-Beijing diplomatic normalization.

He had believed South Korea-Taiwan ties would never change, the ambassador said, and he felt "betrayed" that Seoul broke his expectation.

He said he heard that bilateral relations were faltering when he took up his post nearly two years ago, but had never doubted the existence of mutual trust.

King added he believed the long-built friendship would someday restore bilatera' relations and thanked his friends for their hospitality since he took up his post.

More than 150 people, including embassy staff, Chinese residents of Korea, and Korean Foreign Ministry officials, were at the airport to see the ambassadorial couple off.

Former House Speaker Chae Mun-sik said: "I just don't know what to say."

The Taiwanese Embassy in Seoul closed Monday afternoon with the lowering of the flag while some 2,000 people looked on.

Sending Presidential Envoy to Taiwan Considered

SK2508040792 Seoul YONHAP in English 0226 GMT 25 Aug 92

[Text] Seoul, Aug. 25 (YONHAP)—The South Korean Government is considering the dispatch of a presidential envoy to Taiwan to soothe anti-Seoul sentiment and discuss bilateral relations, Kim Chong-pil, a co-chairman of the ruling Democratic Liberal Party (DLP), said Tuesday [25 August].

Kim told reporters that president No Tae-u had revealed in a meeting with the three DLP co-chairmen Monday evening that the government was studying a plan to send a presidential envoy to Taipei for discussions on economic cooperation and cultural exchanges.

He said he suggested that No send someone of the rank of a former prime minister as his envoy to Taipei and seek ways to maintain a close relationship between the two countries, which severed ties when Seoul normalized relations with Beijing Monday.

Taipei Expected To Set Up Office in Seoul

SK2408063192 Seoul YONHAP in English 0519 GMT 24 Aug 92

[Text] Seoul, Aug. 24 (YONHAP)—The South Korean Government expects Taiwan to set up a "Taipei representative office" in Seoul so that the two countries can maintain unofficial relations, Kim Chong-hui, senior presidential secretary for diplomacy and national security, said Monday [24 August].

Kim said China had agreed to allow unofficial relations between South Korea and Taiwan during discussions on normalizing diplomatic relations with South Korea.

South Korea and Taiwan would hold talks to replace the inter-governmental aviation and maritime agreements by private-level accords, he said.

He said the Taiwanese Embassy in Seoul would be turned over to China in accordance with international practice.

ROK, Taiwan To Continue Consular Functions

SK2508071492 Seoul YONHAP in English 0636 GMT 25 Aug 92

[Text] Seoul, Aug. 25 (YONHAP)—The South Korean and Taiwanese Embassies in Taipei and Seoul will continue their consular functions for about a month although the countries have severed diplomatic ties, Foreign Ministry officials said Tuesday [25 August].

"The two countries have an understanding that they will maintain exchanges at a private level," an official said.

The embassies will continue to issue visas for about a month and then private representatives will take over the function, the officials said.

Status of Chinese Residents Not To Change

SK2408042892 Seoul YONHAP in English 0234 GMT 24 Aug 92

[Text] Seoul, Aug. 24 (YONHAP)—There will be no immediate change in the status of the some 20,000 Chinese residents of South Korea as a result of the normalization of Seoul-Beijing relations, the Justice Ministry announced Monday [24 August].

"Despite the severance of diplomatic relations (between Seoul and Taipei), the government will grant Chinese residents in Korea the same status as in the past and will not subject them to any restrictions in terms of entry and exit," a ministry spokesman said.

"The government, however, should discuss visa-related matters with Taipei as the channels of visa issuance closed Monday," the spokesman said.

He said the government would offer no-visa entry to Taiwanese citizens even before the two governments made any decision regarding visas.

Meanwhile, Minister Wang Kai at the Taiwanese Embassy in Seoul met with Kim Sok-u, director-general of Asian affairs at the Korean Foreign Ministry, at Kim's office Monday and talked about the effect of severing ties and the closure of the Taiwanese Embassy here.

Kim told wang that the severance of ties and turnover of the embassy and its land to China was unavoidable in light of international practices.

Wang reiterated his government's position that such measures were unfair.

Kim expressed the hope that the two countries would maintain close relations, though on an unofficial level, and asked for Taipei's support.

Ministry To Encourage Trade With Taiwan

SK2508082892 Seoul YONHAP in English 0814 GMT 25 Aug 92

[Text] Seoul, Aug. 25 (YONHAP)—The South Korean Trade and Industry Ministry announced Tuesday [25 August] it will have private economic organizations send large delegations to Taiwan in an effort to minimize the impact of Seoul-Beijing diplomatic normalization on bilateral trade.

The ministry will get the non-governmental economic cooperation committee, presently headed by the Federation of Korean Industries (FKI) and the Chinese National Association of Industry and Commerce (CNAIC), to dispatch a high-powered mission to Taipei.

It will encourage sectoral associations, particularly in the industrial fields where Taiwanese anti-dumping suits are feared, to expand their contacts with their Taiwanese counterparts as much as possible and seek to promote

cooperation in such promising fields as the electronic, steel and petrochemical industries.

The ministry will strengthen the role of the Taipei branch of the Korea Trade Promotion Corp. and let it maintain regular consultative conferences with the China external trade development council.

A ministry official said he did not see the Taiwanese taking such extreme measures as a total ban on imports from Korea in retaliation for Seoul-Beijing normalization, though he did not rule out the possibility of symbolic expressions of discontent from Taiwan.

Opposition Parties Criticize Treatment of Taipei

SK2408050192 Seoul YONHAP in English 0252 GMT 24 Aug 92

[Text] Seoul, Aug. 24 (YONHAP)—Ruling and opposition camps both welcomed the normalization of Seoul-Beijing diplomatic relations Monday [24 August], but opposition parties criticized the government for its treatment of Taipei.

Kim Yong-sam, executive chairman and presidential candidate of the ruling Democratic Liberal Party, said the normalization completed the government's northern policy and that it would contribute greatly to peace and stability in Northeast Asia and Korean reunification.

The major opposition Democratic Party said it welcomed the normalization as a historical reality and a natural course of action in the world arena, but accused the government of betraying Taiwan, which had contributed to the independence of South Korea and supported it for over 60 years.

The Unification National Party [officially renamed United People's Party] said the normalization would enhance the international status of South Korea, but added that the government had failed to take proper consideration of Taiwan in the course of normalization negotiations.

The New Democratic Reform Party said the government should take a practical and positive diplomatic policy that embraced China politically and Taiwan economically.

New Japanese Envoy Interviewed on Relations

SK2408011192 Seoul HANGYORE SINMUN in Korean 22 Aug 92 p 2

[Interview with new Japanese Ambassador to South Korea Toshio Goto by correspondent Kim Hyo-su in Tokyo—date not given]

[Text] The new ambassador to the ROK, Toshio Goto, 63 years old, who will assume his post in Seoul on 1 September, said: "Problems tend to emerge as two countries develop close relations." He also said: "The ROK and Japan must develop bilateral relations by resolving pending issues with sincerity and farsightedness."

He served as minister at the Japanese Embassy to the ROK in 1982. He also said that ROK-Japanese relations are "developing in a sound and desirable directions." He added: "There may be differing views on ROK-Japanese relations. However, the two countries have so far facilitated cultural exchange favorably."

[Kim Hyo-sun] What issues are pending and how will you resolve them?

[Toshio Goto] The trade imbalance, the comfort girls, and other legacies of the war are major issues. As a result of efforts by the two countries' government officials and business leaders, an action program has been mapped out to resolve the trade imbalance.

When the comfort girl issue first emerged, it reminded me of the textbook controversy in 1982. I was then serving as minister at the Japanese Embassy in Seoul. As a Japanese, I feel sorry for the ROK people's sufferings, just as I did then. It would be good for Japan to resolve these issues practically by seeking an understanding with the ROK people.

[Kim] What do you mean by resolving the issues practically?

[Goto] I hear views from various people in the Japanese Government on to how seek an understanding with the ROK people. When I arrive in Seoul, I will personally listen to the ROK people's views, observe the atmosphere, and report the people's opinions to our government.

[Kim] What do you think of the establishment of diplomatic relations between the ROK and China?

[Goto] It is desirable for Asia's changes and development. I am happy and surprised that the two countries have decided to establish diplomatic relations earlier than expected. The ROK, Japan, China, and Russia will promote dynamic relations.

[Kim] What do you think of the Japanese people's anti-ROK sentiment and the ROK people's anti-Japanese sentiment?

[Goto] Two people cannot get close if they think they do not like each other. The same is true about relations between countries. Japan must understand other countries' views, history, and culture if it is to become bigger. Many Japanese are visiting the Kaya Kingdoms [42-562 A.D.] exhibition in Tokyo. This is very good.

No Tae-u Resigns as Ruling Party President

SK2508065892 Seoul YONHAP in English 0644 GMT 25 Aug 92

[Text] Seoul, Aug. 25 (YONHAP)—President No Tae-u formally resigned as president of the ruling Democratic Liberal Party [DLP] Tuesday [25 August] at an enlarged party officials meeting at Chongwadae.

At the meeting, No urged members of the ruling party to solidify their ranks and rally around Kim Yong-sam, the DLP's presidential candidate, to win the December election.

In addition to Kim, the meeting was attended by co-chairmen Kim Chong-pil and Pak Tae-chun, all the members of the Central Executive Council, and senior officials.

Later Tuesday afternoon, the DLP held an extraordinary session of the Central Executive Council at its headquarters in Yoido and unanimously decided to elect Kim Yong-sam president of the party at a Central Standing Committee meeting on Aug. 28.

Kim will be acting president of the DLP until he is formally elected Friday.

The Central Executive Council also amended the party Charter, creating an honorary presidency. The amendment is expected to be adopted by the Central Standing Committee.

President No will be named honorary president of the DLP.

In addition, the council decided to change the provision for the number of Central Standing Committee members from the current 2,000 or less to 3,000 or less by including members of city and provincial councils. It also decided to amend the party Charter, allowing a Central Standing Committee member to represent 3,000 people, down from 5,000 people.

After Kim Yong-sam is elected president of the DLP, he will appoint Kim Chong-pil executive chairman and announce the retention of Pak Tae-chun as chairman and the party's three top officials including Secretary-general Kim Yung-koo.

Pak Tae-chun will also be named chairman of the election campaign committee.

No Tae-u, Kim Yong-sam 'Confrontation' Resolved

SK2508072292 Seoul YONHAP in English 0654 GMT 25 Aug 92

[Text] Seoul, Aug. 25 (YONHAP)—The confrontation between President No Tae-u and Kim Yong-sam over the government's awarding of the license for the second mobile telephone business to the Sunkyong Group has been completely resolved, the ruling party's presidential candidate said Tuesday [25 August].

Kim Yong-sam convened an unscheduled senior party officials meeting Tuesday morning and briefed them on the result of his meeting Monday night with No at Chongwadae. Democratic Liberal Party [DLP] Co-chairmen Kim Chong-pil and Pak Tae-chun also attended the Chongwadae meeting.

Kim said he was gratified by the outcome of Monday night's meeting and urged the party officials to unite and do their best to win the December presidential election, according to DLP spokesman Pak Hui-tae.

Kim said he believed Sunkyong would return the license it won last week to do the lucrative mobile phone business to the government at an early date.

Group chairman Choe Chong-hyon would make the decision very soon, Kim said, making the abandonment by Sunkyong of the mobile phone business "an accomplished fact."

Sunkyong Group executives met Monday and decided to return the license but a formal announcement is being delayed, sources said, as the group was engaged in discussion with government officials on procedural matters.

As the issue that forced Sunkyong to give up the license originated in the political circle, the group is waiting for politicians and parties to have their say and sort things out before it makes a formal announcement.

It isn't easy, some analysts say, for Sunkyong to justify its decision to the 15 domestic and foreign companies that make up the consortium—Taehan Telecom—it formed for the mobile phone project. It remains to be seen how these 15 companies react to returning the license to the government, they said.

Meanwhile, Pohang Iron and Steel Co. and Kolon Co., which lost the bid in the second government screening to Sunkyong, and five other companies that were dropped in the selection process, have all began preparing new bids.

In any event, Kim Yong-sam was reported to have told No to leave the final decision on who will take over the mobile phone business to the next president of Korea.

Kim Chong-pil told reporters Tuesday morning that the Chongwadae meeting "was held in a happy and harmonious atmosphere," and that mop-up measures would soon be taken on the mobile phone problem.

Pressed to elaborate, Kim said the mop-up measures would involve Kim Yong-sam's intention and No's determination. He thus hinted the selection of a company for the mobile phone business could be made by the next president as Kim Yong-sam has asked.

Mobile Phone Choice 'Symbolic' of Distrust

SK2508044892 Seoul THE KOREA TIMES in English 25 Aug 92 p 8

["News in Review" article by economic editor Pak Chang-sok: "Sunkyong Row Caps Public Distrust of Roh Gov't."]

[Text] "Trust me, trust me..." These are the petitionary words beleaguered President Bush used recently with a group of businessmen invited to the White House. The phrase "trust me" rings in the ears of the Koreans because President No Tae-u used it very often five years ago when he was the presidential candidate of the ruling party.

Whether or not they can gain the popular trust is a crucial factor affecting the fate of presidential candidates. The nation is boiling with mounting public grievances over the controversial selection of the Sunkyong Group as the undertaker of a lucrative mobile telephone service project.

National opinion is seriously split over the feasibility of the multibillion-dollar project. Political unrest has been amplified as the powerful opposition parties are poised to launch a full-fledged political offensive against the governing party. The opposition camps are planning to invoke a parliamentary inspection and a public hearing. Making the matter worse is the outbreak of in-house discord in the ruling camp—between presidential contender Kim Yong-sam and President No.

A national survey has not been made of the propriety of the mobile telephone and radio pager services but, summing up media views, public opinion seems to be in favor of the postponement of their undertaking. Worthy of note this time is the fact that all three presidential candidates, even the ruling party's contender Kim Yong-sam, are against the hasty undertaking of the phone project.

On the surface, the government took the form of screening the qualifications of business groups through a panel composed on non-governmental experts to pick the successful concessionaire. The people do not raise the questions about the validity of the choice. At issue now is the timing and political relevance of the selection. The first question being asked is why such a profitable project has been selected at a time when the incumbent government is nearing the end of its five-year term of office.

On top of this, controversy is now being focused on whether favoritism has been granted to Sunkyong Group, which business circles blame as "political chaebol (conglomerate)," for its owner's relations with President No. The President and Choe Chong-hyon, chairman of the Sunkyong Group, are close relatives by marriage. Choe's son has married No's daughter. Choe told a press conference that there was no favoritism whatsoever in the selection of Taehan Telecom, an affiliate of his group, as the mobile communications service undertaker. Despite the denials by presidential aides and Sunkyong officials, the people are not ready to believe the government announcement as it is. It is a matter of trust of the government.

Particularly dumbfounding the people was conflicting announcements of the results of a regular meeting between No and Kim Yong-sam which observers believed was devoted to the discussion of the phone project. A presidential aide said that there was no discussion of the phone project in the No-Kim meeting. His remarks invited an instant response from Kim who claimed in-depth discussions with No about the matter. The people have been getting confused seeing the contradictory disclosures. It is unclear which of Kim Yong-sam's camp and Chongwadae is right in announcing the results of their meeting. But what is certain is that one of the two sides was telling a lie.

There is no clear clue showing that the government has given special advantages to the Sunkyong Group. However, the people harbor suspicions about the bidding result. Why? They have no trust in the No administration. This is because the past five years of the No administration have been studded with falsehood and broken promises. The people yet do not know who of the two, No and his predecessor Chon Tu-hwan, was the real author of the June 29, 1987 statement for democratic reforms. The truth remains still mysterious despite No's camp's claim it was him.

No had promised to the people two major things campaigning for the 1987 presidential election. One was to have his handling of state affairs appraised by the people through a confidence vote or other way when No was midway through his five-year term and the other was to put into practice a system making the use of real names in financial transactions mandatory. [sentence as published] The two important pledges have not been translated into action.

The abrogation of the two major avowals is the root of the people's distrust in the No administration. The latest breach of promise was the postponement of the mayoral and gubernatorial elections for local autonomy system, a cause which has become the apple of political discord between the government and opposition parties. As a result, the newly-elected National Assembly has been stalled for months.

The popular distrust in the incumbent government now roars through all sectors. Both enterprisers and consumers have no trust in government policies. They have been shunning investing in production and the stock market, chilling the national economic activities. As a result, the national economy is in untold trouble. Foreign debt is topping 50 billion dollars. The trade deficit is near 10 billion dollars per annum. Inflation is cruising at near 10 percent. An average of 25 enterprises have been falling into bankruptcy daily and the stock market is on the point of crashing.

The phone licensing controversy is symbolic of the deepening public distrust in the No administration. The restoration of national trust is a solution to curing a sea of economic and social woes. The choice of Sunkyong as the undertaker of the phone service project has dealt a mortal blow to the morality of both the business group itself and President No. Sunkyong's withdrawal from the controversial contract for phone project could be the early treatment that puts the smoldering political and economic unrest to rest.

Han Kap-su To Join High-Level Talks Group

SK2508071892 Seoul YONHAP in English 0634 GMT 25 Aug 92

[Text] Seoul, Aug. 25 (YONHAP)—Kim Chong-hwi, senior presidential secretary for diplomacy and national security, will be replaced on the South Korean delegation to the inter-Korean high-level talks by Vice Economic Planning Minister Han Kap-su, informed sources said Tuesday [25 August].

Kim was replaced due to his tight schedule prior to Russian President Boris Yeltsin's visit and President No Tae-u's trip to the United Nations and China, they said.

"We will shortly make our final decision and let North Korea know," one source said.

Stock Market Rescue Measures Announced

SK2408062492 Seoul YONHAP in English 0521 GMT 24 Aug 92

[Text] Seoul, Aug. 24 (YONHAP)—The government announced a package of stock market-boosting measures Monday [24 August] aimed at creating 3.9 trillion won (5 billion U.S. dollars) of additional institutional purchasing power.

The measures include letting commercial banks expand their stock holdings using some 1.5 trillion won from their trust accounts and advising insurance companies to buy 700 billion won of stocks in the next six months.

Pension and public funds will be asked to buy 1.2 trillion won of stocks over the next 12 months and securities firms and listed companies to put a combined 500 billion won into the stock market stabilization fund.

The government said the Office of National Tax Administration would suspend investigations into the sources of money used by stock investors for a year. The limit for "small fund" operators, the beneficiaries of income tax benefits, will be increased from 100 million won to 300 million won.

In addition, the announcement said, the government would endeavor to lower interest rates by managing monetary policy flexibly. All financial organizations will be encouraged to buy more than they sell until the market is on the right track.

Individuals would be allowed to buy one-year repurchase agreements, trading in which has so far been restricted to financial companies, to alleviate the financial difficulties afflicting securities companies, it added.

The rescue package was announced right after an emergency meeting of 13 government and stock market-related officials.

* North No Longer Trusts New Russia

922C0222A Seoul TONG-A ILBO in Korean 16 Jul p 15

[Article by reporter Pak Che-kyun: "Friendly Relations With Russia Have Ended: After the 'Declaration of Ideological Parting'"]

[Text] "The ties with North Korea based on ideology have ended."

Russian President Yeltsin said this at the end of last month to Foreign Minister Yi Sang-ok, who was visiting Russia. It was the first time the ideological separation had been formally announced by the Russian President, who had inherited the foreign relations of the former Soviet Union, which had maintained "fraternal" relations with North Korea for the past 30-odd years. In particular, Yeltsin's statement has drawn attention because it came on the eve of the 31st anniversary (6 July) of the signing of the "North Korea-Soviet Treaty of Friendship."

Such a "betrayal" on the part of Russia may somehow be a natural thing, howver.

In a formal sense, Russia is inheriting the foreign relations of the old Soviet Union—including all the treaties and agreements concluded by the Soviet Union with other countries. The former Soviet Union and Russia advocate completely different ideological systems, however. In contrast to the former Soviet Union, which was communist, Russia is advocating a capitalistic liberal democracy.

Therefore, the relations with North Korea—which still espouses communism—cannot be the same.

Rather, because of economic requirements, Russia is casting a friendly eye toward South Korea, which has the same kind of system as it has.

In the meeting with Minister Yi, Yeltsin indirectly criticized North Korea when he said "North Korea must make sincere efforts also toward respecting human rights and in the North-South dialogue." On the other hand, he agreed on a draft of a "ROK-Russian Basic Treaty."

This treaty will be initialed when Foreign Minister Kunadze visits Korea this August and will be formally signed when President Yeltsin visits the ROK in September.

In this kind of situation, the relationship between North Korea and Russia appears to be further blocked for the time being. It follows that the "North Korean-Soviet Treaty of Friendship" actually exists in name only.

This treaty, which was concluded in 1951, had a period of validity of 10 years. If neither side, within one year of the termination of the period, did not signify its intent to dissolve the treaty, it continued in effect for another five years. Until now, neither the Soviet Union nor North Korea has signified its intention to dissolve the treaty and it has remained in effect. Even prior to 6 July 1990, which was the deadline for signifying a desire to dissolve the treaty, neither of the two sides signalled its intention to dissolve the treaty, so in formal terms it remains in effect from July 1991 until July 1996.

The backbone of the treaty, however, the "political-military alliance" has already collapsed. In this connection, President Yeltsin has stated: "Aid to North Korea, including military aid, is not permitted across the board... and the treaty of friendship in reality has lost its force."

From the time Russia embarked on its new system on 1 January, it has been making efforts to revise this treaty. Igor Rogachev, as vice minister of foreign affairs of the old Soviet Union, had visited North Korea on several

occasions and in mid-January he visited Pyongyang as President Yeltsin's special envoy. There he discussed a whole range of issues with North Korea directed at establishing a new relationship between Russia and North Korea. In addition, through many different channels Russia has undertaken efforts to revise that part of the treaty dealing only with the military alliance.

Russia's attitude has thrown cold water also on North Korea's policy toward Russia.

This year, for the first time since the conclusion of the treaty, North Korea did not have any media commentary, not to mention events to commemorate the signing of the treaty.

In 1990, when the democratic reforms in the old Soviet Union were at their height, North Korea and the old Soviet Union experienced serious ideological conflicts. Even then North Korea held a commemorative banquet in its embassy in Moscow and put out a radio commentary evaluating the significance of the treaty, however.

Last year, in view of the timeliness of the 30th anniversary of the signing of the treaty, commemorative rallies and banquets and film shows were held under the sponsorship of the Ministry of People's Armed Forces. President Kim Il-song and President Gorbachev of the old Soviet Union exchanged congratulatory telegrams and on the surface showed a friendly face.

The fact that there has been no movement at all in this area shows that North Korea will no longer observe the friendship treaty, however.

For North Korea, it was probably not an easy decision to make, however. Based on 1990 figures, about 50 percent of the $4.6 billion trade volume was with the old Soviet Union. Subsequently, the trade volume rapidly dropped but it is known that it still remains at about 30 percent. Not only in the economic area, but in the entire social and cultural sphere the impact of the Soviet Union is still dominant.

North Korea's slow turn away from Russia is seen as stemming from Pyongyang's judgment that it cannot expect any more from a capitalist Russia.

For its part, Russia also shows signs of maintaining its present position vis-a-vis North Korea as long as there is no economic benefit, and for the time being North Korea and Russia are likely to continue to have estranged relations.

Burma

Minister Announces Accession to Geneva Conventions

BK2508043992 Rangoon Radio Burma in Burmese 1330 GMT 24 Aug 92

[Text] A signing ceremony concerning Burma's accession to the four Geneva conventions of 1949 on humanitarian treatment in the midst of hostilities was held this afternoon at the Ministry of Foreign Affairs Annex.

The ceremony was attended by U Ohn Gyaw, minister for foreign affairs of the Union of Myanmar [Burma]; Brigadier General Kyaw Win, medical director of the Ministry of Defense; U Khin Maung Aye, deputy attorney general; and directors general and officials from the Ministry of Foreign Affairs, the Ministry of Home Affairs, the Ministry of Health, the Ministry of Social Welfare, and the Ministry of Information.

Speaking at the ceremony, Foreign Minister U Ohn Gyaw stated that today marked a historic moment for the Union of Myanmar as he had the pleasure of announcing on behalf of the Government of the Union of Myanmar its accession to the four Geneva conventions of 1949.

He said at this ceremony to declare Burma's commitment to international humanitarian principles, he took pleasure in welcoming Mr. (David Delaprage), regional representative of the International Committee of the Red Cross [ICRC].

U Ohn Gyaw added that Burma's commitment to humanitarian principles did not begin today. The principles enshrined in these conventions have not only been part of the educational and training process in the Burmese Armed Forces, but also have been part of the values cherished by them for years past. Although Burma in the past was not able to declare its accession to the four Geneva conventions for various reasons, it had always attached importance to adherence to the values contained in the conventions. He said, therefore, that Burma was happy to reaffirm its commitment to these values contained in the conventions. He added that the instrument of accession of the Government of the Union of Myanmar to the four Geneva conventions was being forwarded through the Burmese mission in Geneva to the Swiss Federal Council.

The minister said that he was very pleased to hand over to the regional representative of the ICRC, Mr. (Delaprague), a copy of this instrument of accession. He concluded his statement by saying that Burma would continue in-depth consideration of the provisions of the two supplementary protocols to these conventions and all its implications and that Burma had steadfastly adhered to its implications as well as to the principles of the United Nations Charter and the principles of respect for the dignity and worth of human beings, which formed the underlying principle of the four Geneva conventions of 1949.

In his reply speech, the regional delegate of the ICRC, Mr. (David Delaprague), recalled that delegates from 12 countries met in Geneva in 1864 to promote humanitarian spirit on the battlefield. He explained the objective was not to reduce the severity of war, but to protect civilians, the wounded, and prisoners of war. He said these efforts resulted in the signing of the four Geneva conventions in 1949. He said as of 23 August this year, 170 countries had acceded to the four conventions. He said he would like to congratulate the Government of the Union of Myanmar for its decision and the ICRC is prepared to assist Burma in disseminating the basic rules of the convention.

The four Geneva conventions to which Burma would become party to are as follows:

A. Geneva Convention for the Amelioration of the Condition of the Wounded and Sick in Armed Forces in the Field of 12 August 1949;
B. Geneva Convention for the Amelioration of the Condition of Wounded, Sick, and Shipwrecked Members of Armed Forces at Sea of 12 August 1949;
C. Geneva Convention Relative to the Treatment of Prisoners of War of 12 August 1949;
D. Geneva Convention Relative to the Protection of Civilian Persons in Time of War of 12 August 1949.

These conventions are concerned with the code of humanitarian conduct during time of war.

Universities, Colleges Reopen Nationwide 24 Aug

BK2408143092 Rangoon Radio Burma in Burmese 1330 GMT 24 Aug 92

[Excerpt] Universities, colleges, and institutes in Burma have been simultaneously opened as of today, Monday 24 August. Classes at Rangoon University have been divided into two sessions, one in the morning and one in the evening. [passage omitted]

Brunei, Malaysia & Singapore

Malaysia

Minister Cites PRC Assurances on Spratly Islands

BK2508092492 Kuala Lumpur BERNAMA in English 0851 GMT 25 Aug 92

[Text] Kuala Lumpur, Aug 25 (OANA-BERNAMA)—Any peaceful solution to the overlapping claims over the Spratly Islands in the South China Sea must be just and fair to the parties concerned, Malaysian Defence Minister Najib Razak said Tuesday. He added that China, one of the claimants, had assured Malaysia that it was opposed to hegemonism and wanted a peaceful solution to the dispute over ownership of the islands.

We welcome the Chinese position to seek a peaceful solution but it must be just and fair to all concerned, he told reporters here.

Najib, who returned from a nine-day official visit to China Monday, said Chinese Prime Minister Li Peng gave an assurance that Beijing did not intend to fill the power vacuum in the region left by the American military departure from the Philippines and the probable Russian withdrawal from former Soviet bases in Vietnam.

A collection of coral atolls and reefs, the Spratly Islands, which straddle important trade routes in the South China Sea, are believed to be rich in oil and gas deposits. The islands are being claimed by China, Vietnam, Taiwan, and three ASEAN countries—Malaysia, the Philippines, and Brunei. All except Brunei have some kind of military presence there.

Besides seeking to establish closer cooperation in technical, economic, and cultural cooperation, Najib said "there was a tremendous desire by the Chinese Government to establish close military cooperation." Such cooperation might involve the stepping up of the number and level of exchange visits by military and Defence Ministry officials of the two countries, he added.

Najib was accompanied by 10 Defence Ministry officials during the visit, the first official visit by a Malaysian defence minister to China since the two countries established formal diplomatic ties in 1974.

Says PRC 'Keen' To Improve Ties

BK2508082692 Kuala Lumpur Voice of Malaysia in English 0800 GMT 25 Aug 92

[Text] China is keen to enhance bilateral ties and strengthen cooperation with Malaysia in all fields, especially in economy, culture, and military. This was disclosed by Defense Minister Datuk Sri Najib Tun Razak who just returned from a visit to China. He told newsmen in Kuala Lumpur China is looking for partners in the development of the housing, hotels, and export-based industries in the republic. He said he [words indistinct] to study all possibilities and the areas which have potential for closer cooperation with China.

Datuk Sri Najib also welcomed Chinese Premier Li Peng's assurance that China has no intention of filling the vacuum left by superpowers in this region.

Mahathir on Urgent Need for UN Emergency Meeting

BK2208073292 Kuala Lumpur Voice of Malaysia in English 0600 GMT 22 Aug 92

[Text] Prime Minister Datuk Sri Dr. Mahathir says now is the suitable time for major powers in the West to prove their sincerity in fighting for human rights which had eroded due to atrocities by the Serbs in Bosnia-Hercegovina. He said they should take action and use their rights to interfere since the atrocities on Muslims in Bosnia are not democratic and against human rights.

Datuk Sri Dr. Mahathir said this to newsmen at the Langkawi International Airport before leaving for Kuala Lumpur. He also welcomes the move by members of the Nonaligned Movement and other international orgaizations which have supported that the United Nations hold an emergency meeting to discuss the atrocities in Bosnia-Hercegovina. In fact, the prime minister himself had written to every member of the UN Security Council urging it to hold the meeting soon.

So far, two-thirds of the 46 members of the Organization of Islamic Conference have agreed to this and have started lobbying for the emergency session. The prime minister stressed that the session is important so that more effective action could be taken.

UN Urged To Lift Arms Embargo on Bosnia

BK2508094792 Kuala Lumpur BERNAMA in English 0918 GMT 25 Aug 92

[Text] Kuala Lumpur, Aug 25 (OANA-BERNAMA)—Malaysia Tuesday appealed to the United Nations to lift the arms embargo on Bosnia-Hercegovina and to assist its democratically-elected government restore sovereignty and territorial integrity.

Malaysian Deputy Permanent Representative to the UN Redzuan Kushairi said the UN arms sanction meant for the aggressors—the Serbian forces—had denied the Bosnian Government its inalienable right to self-defence provided under the UN Charter.

In a strongly-worded speech before the 46th session of the UN General Assembly in New York to discuss the situation in the war-torn republic of the former Yugoslavia, Redzuan said the sanctions applied by the UN Security Council to bring peace to the area had not had the desired effect but had instead denied Bosnia-Hercegovina its right to self-defence. The text of his speech was released here.

He added that although Malaysia welcomed the resolutions and ceasefire agreements by the Security Council, these had been ignored and were far from enough as the situation had turned for the worst.

He said: What is at stake now is not just the danger of mass starvation, of relief supplies reaching those under siege and access to concentration camps, but wanton acts of atrocities and killings of Bosnian Muslims and Catholics by the Serbs as well as the dismemberment of Bosnia-Hercegovina as a nation. [sentence as received]

The war in Bosnia-Hercegovina was not just a civil war of the Serbs against the Bosnian Muslims and Croatian Catholics, but it was part of a design for the creation of a greater Serbia, he added.

Redzuan said: No matter how well disguised, it involves armed intervention and aggression by Serbia-Montenegro, a threat against international peace and security.

We have a situation where the victim, an independent nation with its own democratically-elected government

which has no organised defence force, has to face Serbian forces trained and equipped to take on the Red Army of the cold war.

Party Leader Wants Yugoslavia Expelled From NAM

BK2208054292 Kuala Lumpur BERNAMA in English 0340 GMT 22 Aug 92

[Text] Kuala Lumpur, Aug 22 (OANA-BERNAMA)—The opposition Democratic Action Party (DAP) Friday called on the government to propose a resolution at the Non-Aligned Movement (NAM) summit in Jakarta next month to expel Yugoslavia from the grouping.

Its secretary-general, Lim Kit Siang, said Malaysia should also propose that all the 103 NAM member nations break off diplomatic relations with the dismembered Yugoslavia in protest against its support of Serbian aggression in Bosnia-Hercegovina, a former Yugoslav republic.

Lim said in a statement that the DAP supported the action by the government urging international intervention to check Serbian atrocities, genocide and "ethnic cleansing" of the Muslims in Bosnia-Hercegovina.

He proposed that the government show the world that Malaysians of all political parties, races and religions were united in their condemnation of Serbian crimes against humanity in independent Bosnia-Hercegovina.

This could be done by summoning an emergency meeting of parliament for MPs from all political parties to unanimously condemn Serbian racial aggression, he added.

Yugoslav Mission Officials Leave for Home 22 Aug

BK2208090492 Kuala Lumpur BERNAMA in English 0752 GMT 22 Aug 92

[Text] Kuala Lumpur, Aug 22 (OANA/BERNAMA)—All 10 Yugoslav Embassy staff and their families left Saturday for Bangkok enroute to Belgrade following the closure of the mission here last week. The group, led by Charge d'Affaires Zoran Plavec, left at 12.45 pm (MST) [Malaysian Standard Time] by a Thai Airways flight.

The head of the Foreign Ministry's task force on Bosnia-Hercegovina, Tengku Idris Tengku Ibrahim, and several other ministry officials were at the airport to see them off.

Malaysia severed diplomatic relations with the dismembered Yugoslavia last week in protest against its role in fuelling the atrocities by Serbs against Muslims in Bosnia-Hercegovina, a former republic of Yugoslavia.

Foreign Minister Leaves for Visit to Bangladesh

BK2408070092 Kuala Lumpur Voice of Malaysia in English 0600 GMT 24 Aug 92

[Text] Foreign Minister Datuk Abdullah Ahmad Badawi has left for Bangladesh for a four-day official visit and to enhance bilateral cooperation. Datuk Abdullah, who is heading a 15-member delegation will hold talks with his Bangladeshi counterpart, Mustafizur Rahman, on bilateral relations and regional and international issues of common concern. The two ministers will also sign agreements on economic and technical cooperation.

He told newsmen before leaving that among bilateral issues to be discussed would be Bangladeshi workers in Malaysia. He said Malaysia would suggest the setting up of a labor attache office at the Bangladesh High Commission to help facilitate the registration of Bangladeshi workers in the country.

Mahathir Says 'Elements' Seeking Destabilization

BK2408093192 Kuala Lumpur Voice of Malaysia in English 0800 GMT 24 Aug 92

[Text] Datuk Sri Dr. Mahathir has reminded the people to be wary of irresponsible elements from within and outside who try to destabilize the country's political stability and peace. He says there are signs that these elements are envious of the country's success and progress, especially in economy and industry. The prime minister was opening the general assembly of the Parti Pesaka Bumiputera in Kuching.

Datuk Sri Dr. Mahathir said certain nongovernmental organizations and affiliates of international trade unions have launched smear campaigns against Malaysia. They make use of issues such as human rights, environment, logging, and the Penans [primitive tribesmen in Sarawak] for their campaigns. These groups try to influence countries which are friendly to Malaysia not to buy the country's goods. Their aim is to put Malaysia under the control of Western countries. There is also opposition to Malaysia's efforts to set up the East Asia Economic Caucus. This is to retard the efforts to create a better standard of living for the people.

Cambodia

Sihanouk, Sadry Preside Over 24 Aug SNC Meeting

BK2408060692 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 24 Aug 92

[Text] At 0900 on 24 August the Supreme National Council of Cambodia [SNC] held a meeting at the Damnak Chan Pavilion in the Royal Palace under the august chairmanship of His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and chairman of the SNC, and His Excellency [H.E.] Berhoos Sadry, deputy head of the UN Transitional Authority in Cambodia [UNTAC].

SNC members attending the meeting were H.E. Dit Munti, H.E. Hor Namhong, H.E. Hun Sen, H.E. Ieng Muli, H.E. Im Chhunlim, H.E. Khieu Samphan, HRH Prince Norodom Ranariddh, H.E. Son Sen, H.E. Son Sann, and H.E. Tie Banh.

Several high-ranking UNTAC military, police, and civil administration officials were also present along with the ambassadors and diplomatic mission representatives of France, Britain, the United Nations, Russia, the PRC, Australia, Japan, Thailand, Korea, India, Indonesia, Malaysia, Laos, Vietnam, Bulgaria, Cuba, Poland, and Germany.

Communique Reported

BK2508064192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 25 Aug 92

[Text] The 18th session of Cambodia's Supreme National Council [SNC] was held at the Damnak Chan Pavilion on 24 August in the august presence of His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and father of the nation of Cambodia and chairman of the SNC, with the participation of His Excellency [H.E.] Berhoos Sadry, deputy head of UNTAC [UN Transitional Authority in Cambodia], and H.E. General John Sanderson, commander of the UNTAC forces. SNC members present at the session were H.E. Dit Munti, H.E. Hor Namhong, H.E. Hun Sen, H.E. Ieng Muli, H.E. Im Chhunlim, H.E. Khieu Samphan, HRH Prince Norodom Ranariddh, H.E. Son Sann, H.E. Sin Sen [as heard], and H.E. Tie Banh. Their excellencies the cochairmen of the Paris international conference, ambassadors, permanent representatives, charges d'affaires, embassy representatives of the Big Five, and representatives of the United Nations and of the international community also attended as observers.

The quorum discussed the following important issues:

1. New developments:

Mr. Sadry, deputy representative of the UN secretary general, made a report on new developments, especially on civil administrative inspection; activities of the UN High Commissioner for Refugees; the military situation, pointing out that UNTAC has not yet deployed its forces in the Khmer Rouge-held zones; and the stipulation of the Constitution.

H.E. Hun Sen noted that the Paris agreement has yet to be equally implemented. He said that there should be enforcement so that it is equally implemented and consideration should be made conerning measures to be taken against any party that continues to violate and refuse to implement the 23 October 1991 Paris agreement. At the same time, H.E. Hun Sen recalled the proposal for a direct, secret, and general election to choose the president or head of state prior to the election of the constituent assembly, reiterating that the State of Cambodia faction fully supports the candidacy of HRH Prince Norodom Sihanouk.

2. Provisional registration of political parties:

Mr. Sadry made a statement on the provisional registration of political parties in accordance with the electoral laws, stressing that the date for the registration of political parties has gone into effect since 17 August 1992 and expiaining the procedures and formalities of this registration.

3. Concerning the third agenda, Mr. Sadry submitted to the quorum documents on principles governing the Cambodian judicial system, legal code, and legal procedure. The quorum deferred this matter for the next meeting.

4. Concerning Cambodia's territorial integrity, the factions expressed their views and agreed that Cambodia's territorial integrity is the one that was recognized internationally before 1970.

5. Concerning Cambodia's rehabilitation program, the Khmer Rouge faction maintained its usual stance: it agreed to a few points while opposing most.

6. Other business:

The quorum decided that the next session will be held in Siem Reap on 10 September 1992.

After attending the SNC meeting, H.E. Hun Sen granted an interview to local and foreign journalists.

Sihanouk Receives UNESCO Representative

BK2508035492 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 24 Aug 92

[Text] On the evening of 21 August at the Khemarin Palace, His Royal Highness [HRH] Prince Norodom Sihanouk, Cambodia's head of state, father of the nation, and chairman of the Supreme National Council [SNC], granted an audience to His Excellency [H.E.] Richard Engelhardt, UNESCO special representative in Cambodia.

HRH Prince Norodom Sihanouk warmly welcomed H.E. Richardt Engelhardt. On behalf of the SNC and Cambodian people and in his own name, the prince deeply thanked the UNESCO in Cambodia for its splendid contribution to restoring Cambodia's national culture, particularly the temples and shrines of Angkor Wat, which is a world heritage.

H.E. Richard Engelhardt deeply thanked HRH Prince Norodom Sihanouk for granting him an audience. He also expressed his firm conviction that under HRH Prince Norodom Sihanouk's wise leadership, the Cambodian nation would certainly achieve genuine peace and prosperity within the near future.

Australian Firm To Provide UN Phone Network

BK2208090292 Hong Kong AFP in English 0533 GMT 22 Aug 92

[Text] Phnom Penh, Aug 22 (AFP)—The United Nations has contracted Australia's Overseas Telecommunications Corp. (OTC) to install a communications network linking remote areas in Cambodia, a telecommunications official said Saturday. The network,

involving more than 100 satellite stations, is to be completed by the end of the year, said the official, who could not be identified.

The dollar amount of the agreement was not given, but the contract was signed at the beginning of last week, the source said. OTC said it could not comment about the contract, and U.N. officials were not available.

Writer Scrutinizes Role of Vietnamese, Thais

BK2208031192 Bangkok BANGKOK POST in English 22 Aug 92 p 4

["Asia Pacific Focus" by Jacques Bekaert]

[Text] Phnom Penh—The young man was adamant. "We should get rid of all the Yuon, we should make Cambodia pure again," he said. "We should fight again."

The conversation took place at the Central Market of Phnom Penh. Yuon is a derogative word used by almost all Khmers when talking about the Vietnamese. Even the United Nations Transitional Authority in Cambodia is called "Yuontac" by a growing number of Cambodians because of its close ties to the Phnom Penh regime and because its troops are openly seen in the company of their Vietnamese girl friends.

No one knows who was responsible for the recent massacre of two Vietnamese families in Kampot. But the fact is that following the tragedy only one Cambodian personality, Prince Norodom Sihanouk, had the courage and decency to publicly express grief and condolences.

Not that everybody agrees with the aggressive and irresponsible words of my young interlocutor, but many Cambodian friends told me that the young generation of Khmers is actually quite responsive to the harsh anti-Vietnamese message distilled in one form or another by all political factions.

"The anti-Vietnamese feeling exists in one form or another," said a senior cadre of the ruling Pracheachon (people's) Party of Cambodia (PPC). "But it is not as brutal as it was in the early Seventies."

After the coup that ousted Prince Sihanouk in 1970, the ultra nationalist regime of Lon Nol encouraged open expression of anti-Vietnamese feeling, leading to terrible massacres that were later to be overshadowed by the crimes of the Khmer Rouge. And no one has ever been punished for it.

I believe my PPC source is right. The older generation, those who survived the Khmer Rouge rule, is afraid of anything that could disrupt the peace process. "Any Khmer who does not see that peace is the most precious thing ... is crazy," said an old Cambodian who has survived many regimes, many wars and various kinds of repression. He is longing for a chance to enjoy a normal life and ensure decent future for his children.

The young generation, however is not averse to a more brutal approach to the problem of Vietnamese settlers.

In the past year I have heard so many people, including men and women who lost close relatives during the Khmer Rouge rule, say that they hoped the future Cambodian government (the one that will come after next year's general election) would comprise at least a couple of Khmer Rouge ministers. The same sentiment was aired by very senior PPC members, intellectuals and shopkeepers. I also found that very few of my numerous Cambodian contacts and friends really believe that Vietnam has changed its attitude toward Cambodia.

"Somebody should tell UNTAC that the question of Vietnamese living in Cambodia is different from that of any other foreigners in our country," explained Kong Korm, the minister for State Inspectorate who recently resigned from the Central Committee of the People's Cambodian Party. But Mr Kong Korm stressed that the question of Vietnamese living in Cambodia must be settled by the sovereign governments of the two countries, following the general election in Cambodia.

This moderate view is shared by Prince Sihanouk and a few other politicians who understand the implications of any irrational behaviour toward larger neighbours. One of these politicians is Mr Chak Saroeun, president of the Action for Democracy and Development Party.

Vietnam's official attitude does little to facilitate the task of the moderates. If the Foreign Ministry in Hanoi is well aware of the complexity and sensitivity of the situation, it is time for the Communist Party and the Vietnamese government as a whole to adopt a clearer line. No matter what the Communist Party leaders in Hanoi might say in public they know very well that the "communist" game is over. And that in the past, tremendous mistakes were made in the name of ideological correctness.

Maybe the time has come for Vietnam to admit some of the past mistakes it made in Cambodia, and do so publicly. Maybe it is time for the Vietnamese leadership to say clearly and in a language everybody can understand that Vietnam has modified its view of Cambodia, that all it wants is neutrality from Phnom Penh, that it wants to talk to all factions, that peace and good relations are in the best interest of both countries.

The days of special relations are over. There is indeed a "Vietnamese" problem in Cambodia and Hanoi must be ready to discuss it with the next Cambodian government. Vietnam is already trying to minimise the influx of Vietnamese going into Cambodia. Restrictions have been imposed on Vietnamese residents living along the 1,100-km border with Cambodia.

Criticism of Thailand has also emerged. The Thai presence is highly visible, mostly in the business sector. Once popular, the Thais are now seen with increased suspicion. "While we look at the Vietnamese, Thailand is

buying our country," complained one senior PPC official. But another source said the Thai businessmen are only buying what is for sale. "And who is selling if not the Khmers?" he asked.

Cambodia is facing some serious problems. It is easier to blame Vietnam and Thailand, and even UNTAC, than to accept the fact thay the Cambodians themselves must be responsible for what's going on in their country. If they want all Vietnamese to go, they must face the consequences, which could mean the collapse of their own economy.

If Cambodia wants to enter the 21st Century it must face its own problems. It also needs responsible politicians. It is a huge task, but an urgent one. If Vietnamese bodies start to float on the Mekong River, Cambodia will discover that it has no friends left in the world. UNTAC will go home. And the people of Cambodia will face more tragedy.

Activities of Thailand's Chatchai Summarized

BK2208072592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 21 Aug 92

[Text] On 19 August, Chatchai Chunhawan, leader of the Chat Phatthana Party and former Thai prime minister, paid an official three-day visit to Cambodia.

During his stay, Chatchai Chunhawan visited the Tuol Sleng crime museum. After seeing the traces of the crimes committed by the Pol Pot clique there, he wrote in the museum's golden book saying that may this kind of thing never occur again in Cambodia. Chatchai Chunhawan also visited the National Assembly and called on His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and chairman of the Cambodian Supreme National Council.

The former Thai Prime Minister was also welcomed and cordially received for talks by Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee; His Excellency [H.E.] Hun Sen, vice chairman of the CPP Central Committee and chairman of the State of Cambodia's Council of Ministers; and H.E. Tie Banh, State of Cambodia's vice chairman of the Council of Ministers and defense minister.

During talks with Cambodian high-ranking leaders, Chatchai Chunhawan paid attention to the peace process in Cambodia. He noted that building peace for Cambodia results from the wise idea of HRH Prince Norodom Sihanouk and other patriots. The talks also recalled the major policy of Chatchai Chunhawan who tried to transform the Indochinese battlefield into a marketplace—a policy which was welcomed by the public.

On 21 August, Chatchai Chunhawan ended the visit to Cambodia and safely returned home.

Chea Sim-Led Delegation Leaves for Singapore

BK2208064192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 22 Aug 92

[Text] At 0800 on 22 August, a high-ranking delegation of the Cambodian People's Party [CPP] and the Government of the State of Cambodia [SOC] headed by His Excellency [H.E.] Chea Sim, chairman of the CPP Central Committee, National Assembly, and National Council of the Kampuchean United Front for National Construction and Defense, left Phnom Penh for an official visit to Singapore at the invitation of the Singapore Government.

Accompanying H.E. Chea Sim on the trip are H.E. Kong Sam-ol, member of the Standing Committee of the CPP Central Committee and vice chairman of the Council of Ministers; Mr. Chea Chanto, member of the CPP Central Committee and planning minister; Hun Neng, member of the CPP Central Committee and Kompong Cham Province's party committee and people's committee; Mr. Sok An, chief of the CPP Central Committee cabinet; Mr. Prum Sokha, deputy chief of the CPP Central Committee cabinet; Mr. Hok Langdi, first vice chairman of the Phnom Penh people's committee; Mr. Phouk Samoeun, first vice chairman of the people's committee in Svay Rieng Province; and Mr. Ung Sean, deputy foreign minister.

Seeing off the delegation at the Pochentong International Airport were H.E. Hun Sen, vice chairman of the CPP Central Committee and chairman of the SOC's Council of Ministers, and other members of the Standing Committee of the CPP Central Committee, including H.E. Chea Soth; H.E. Bou Thang; H.E. Say Chhum, standing vice chairman of the Council of Ministers; H.E. General Tie Banh, vice chairman of the Council of Ministers and defense minister; Prince Norodom Chakkrapong, vice chairman of the Council of Ministers; H.E. Nguon Nhel, agriculture minister; H.E. Mat Ly, vice chairman of the National Assembly and of the CPP Central Committee's Control Commission; H.E. Ney Pena, vice chairman of the CPP Central Committee's Control Commission; H.E. Gen. Sin Song, national security minister; H.E. Sim Ka, chairman of the Phnom Penh party committee and people's committee; and H.E. Gen. Ke Kimyan, first deputy defense minister and chief of the General Political Department of the Cambodian People's Armed Forces, as well as several other ministers, deputy ministers, directors general, and deputy directors general from various departments and services of the SOC.

AFP, KYODO Cited on Akashi Election Remark

BK2408125292 Phnom Penh SPK in English 1110 GMT 24 Aug 92

[Text] Phnom Penh SPK August 24—Yasushi Akashi, head of the U.N. peacekeeping mission in Cambodia, said in Tokyo Saturday that a U.N. sponsored election in

Cambodia may be held as scheduled in May without the participation of the Khmer Rouge, reports AFP.

The head of the U.N. Transitional Authority in Cambodia (UNTAC) made the remark in an interview with KYODO News Service.

KYODO quoted Akashi as saying that if the Khmer Rouge maintained their intransigent posture and refused to lay down their arms, the election could be held with the participation of only three of the four parties.

"If the election is to be held with all four parties participation, the Khmer Rouge must agree to disarm itself by October at the latest" KYODO quoted him as saying.

The remarks came as the Khmer Rouge released a statement in Phnom Penh saying they were ready to disarm if the United Nations gave them more political power.

The statement was an apparent softening of the Marxist faction's position, as it refrained from repeating a demand for the dismantling of the Phnom Penh Government.

Akashi also said that U.N. Secretary-General Butrus Butrus Ghali may ever [as received] to the possibility of a three-faction Cambodian election when he delivers a report on the Cambodian situation to the U.N. Security Council in September.

Akashi noted that the three factions control nearly 80 percent of Cambodia's territory and population, according to KYODO.

The UNTAC Chief is holidaying in Japan.

Khieu Samphan Replies to Akashi Accusations

BK2308025892 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 22 Aug 92

["Excerpts" of Khieu Samphan's 20 August message responding to Akashi's 6 and 14 August messages]

[Text] On 20 August 1992, His Excellency [H.E.] Khieu Samphan, chairman of the Party of Democratic Kampuchea [PDK], sent a message to H.E. Yasushi Akashi accredited to Cambodia. Following are excerpts of this message.

I have the honor to respond to your letters dated 6 and 14 August 1992 in which you expressed your views on some aspects of the military situation in Cambodia and on the broadcast of the Voice of the Great National Union Front of Cambodia radio [VGNUFC].

1. In your letter dated 6 August 1992, Your Excellency said: The overwhelming majority of the Cambodian people want peace, including the majority of members of the PDK.

On this issue, I would like to specify that in fact the Cambodian people and all PDK members have for a long time wanted to have peace; however this peace should be with independence and national honor. The only goal pushing the people and the Cambodian national resistance forces to wage a long and arduous struggle for the past 13 years is to have peace, independence, and Cambodian national union with territorial integrity, free from the occupation and control of foreign forces.

H.E. Khieu Samphan says: We do sincerely believe that as long as measures are not taken to (1) ensure the control and the withdrawal of all types of foreign forces from Cambodia and prevent them from returning, and (2) ensure that the Supreme National Council [SNC] [words indistinct] as the legitimate and the sole source of power and representing Cambodia's sovereignty and national union, one cannot restore a durable peace in Cambodia and defend peace because the Paris agreement cannot be implemented correctly and comprehensively.

Furthermore, it is necesary to recall that the Vietnamese aggressors occupying Cambodia have also affirmed that their most important goal is peace but peace in Vietnam's hands.

2. H.E. Khieu Samphan says that in H.E. Akashi's letter dated 14 August 1992 referring to the commentary on the adoption of election law broadcast by the VGNUFC on 10 August 1992, H.E. Akashi made the accusation that the VGNUFC broadcast untrue news.

As Your Excellency knows, we have categorically rejected this election law which gives rights to Vietnamese to take part in the election. This law not only creates obstacles affecting the Cambodian people's right to self-determination but also directly affects the destiny of the Cambodian nation. The VGNUFC broadcast this commentary only to make the Cambodian people really understand the essence of this election law. Voice of America [VOA] radio on the morning of 6 August 1992 also excerpted the statement by H.E. Akashi who said that this election law gives voting rights to Vietnamese. Why was VOA not accused of carrying untrue and exaggerated news and lies?

3. H.E. Khieu Samphan says: The entire Cambodian people in and outside the country, particularly students in Phnom Penh, clearly see the truth and the tricky nature of this election law, which in fact guarantees that Vietnamese have the right to vote and through this, affect the Cambodian people's right to vote.

H.E. Akashi is clearly aware that this opinion is not just that of the PDK, but also of all SNC members. In a letter date 10 August 1992, addressed to Cambodian Committee in France—which voiced opposition to the definition of who is Cambodian in the election law adopted by H.E. Akashi—His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and chairman of the Cambodian SNC, wrote:

I respect your view on this important issue, that is the definition of the word Cambodian national. However, as all of you know, I currently have no power to decide on this issue. The decision rests in the hands of H.E. Akashi and UNTAC. However, I have informed H.E. Akashi

and UNTAC that when I was in power from the 1950's to the 1970's, foreigners born in Cambodia and whose families have settled in Cambodia for decades remain foreigners and have no right to vote.

4. H.E. Khieu Samphan further says: H.E. Akashi said that the use of the word Yuon [term referring to ethnic Vietnamese] is an offense to Vietnamese nationals; I propose that H.E. Akashi carefully examine with responsiblity the fact that Cambodians everywhere use the word Yuon—in the countryside, in markets—and even in monasteries, monks also use the word Yuon. More particularly, the word Yuon used by the VGNUFC refers to the Vietnamese aggressors, expansionists, territorial annexationists, and exterminators of the Cambodian race.

Vietnam has forced the Cambodian people under the iron yoke of the special friendship and special relationship within one single party, people, and army; Vietnam has determined in its strategy to annex Cambodia and Laos in accordance with the Hanoi Vietnamese's Indochinese federation.

Therefore, I sincerely appeal to UNTAC to consider the cause of peace, independence, and national reconciliation in Cambodia by meticulously and comprehensively implementing without bias all the essence of the Paris agreement, particularly the essence concerning the withdrawal of foreign forces and the role of the SNC. Other issues would be easily resolved if the essence of the two key points of the agreement has been implemented.

Leveling accusations at one another produces nothing; it only makes the situation more complicated. This is against the will of the Cambodian people and all peace- and justice-loving countries the world over.

'Puppet' Troops Reduction Said 'Just a Farce'

BK2508034892 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 24 Aug 92

[Text] The troop demobilization of the Yuon [derogatory term for Vietnamese] puppets is just a farce.

In the past few days, both the Yuon puppets and those who legalize the Yuon puppets ballyhooed about the demobilization of this and that number of puppet troops.

What were the aims of the demobilization exercises in which the puppet troops were reduced?

It is known to all that this demobilization ceremony is just a farce staged at the order of the Yuon aggressors and their cohorts. Its aims are:

1. To make the others believe that the Yuon aggressors and their puppets are implementing the Paris agreement.

2. To pressure others, particularly the party of Democratic Kampuchea, to take part in the second phase.

Quite the opposite, the Yuon aggressors and their puppets have not reduced their troops. In fact, the Yuon aggressors ordered the puppets to forcibly arm a certain number of people and presented them to the UNTAC [UN Transitional Authority in Cambodia]. A few days later, after the UNTAC completed the supervision and left, these people who had been armed returned home. None of the four Cambodian factions in the Supreme National Council [SNC] supervised this. The number of the puppet troops remains the same. As a matter of fact, on the battlefields in all areas, the puppet troops continue to join the Yuon aggressors in bullying and killing the people.

This ceremony of "a thief calling stop thieves" has been arranged by the Yuon aggressors, their puppets, and their allies.

The people in all areas have said that if the Yuon aggressors and their puppets really want to implement the 23 October 1991 Paris agreement, they and their colleagues should:

1. Withdraw all Yuon aggressor forces from Cambodia under supervision of UNTAC and SNC.

2. Allow the SNC to control all affairs in Cambodia.

SRV Officer Said Captured in Kompong Thom

BK2308012692 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 22 Aug 92

[Text] Reports from Kompong Thom say that on 16 August 1992, Vietnamese aggressor soldiers plundering people's property in various villages in Santuk District, Kompong Thom Province, clashed with the National Army of Democratic Kampuchea [NADK] in charge of defending this front.

The reports say that during the clash, the NADK captured a Vietnamese aggressor soldier; a number of others were wounded and fled. The reports further say that this Vietnamese aggressor soldier is a sublieutenant hiding in the E-89 independent regiment of the Phnom Penh puppets; he directly issued orders to puppet troops to fight. This Vietnamese sublieutenant wore the uniform of the Phnom Penh puppet troops and can speak Cambodian with an accent.

Alleged SRV Officer Killed in Grenade Attack

BK2508012992 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 24 Aug 92

[Excerpt] According to a report from Prey Totoeng market in Prey Chhor District of Kompong Cham Province, recently, 15 Cambodian soldiers who have been forced to serve the Yuon [derogatory term for Vietnamese] aggressors in this market fired at and lobbed hand grenades into a group of Yuon ringleaders and their puppets. As a result of this shooting and grenade attack, a Yuon first lieutenant was killed and a puppet officer was wounded. After attacking the Yuon ringleaders and

their puppets, these 15 Cambodian soldiers fled back home, bringing along their guns and ammunition.

The people who saw this event said that the Yuon aggressors and puppet ringleaders brought the rejected riel banknotes to pay the soldiers. These Cambodian soldiers refused to accept the banknotes and angrily threw them away. The Yuon and their puppets were angry and threatened to arrest and jail these soldiers. The soldiers immidiately fired at and lobbed grenades at the Yuon and their puppets. [passage omitted]

More Alleged Khmer Rouge Violations Reported

Kompong Thom, Siem Reap, 14-16 Aug

BK2308122492 Phnom Penh SPK in French 1105 GMT 23 Aug 92

[Text] Phnom Penh 23 Aug (SPK)—The Commission for the Coordination of Military Affairs with the United Nations said the Khmer Rouge [KR] on 14 August fired with H-107 and DK-82 guns 55 shells on positions of the State of Cambodia's Armed Forces at O Pou Village in Kompong Thom Province.

During the second week of August in Siem Reap Province, 15 to 20 shells were recorded to be fired daily on the area of Sre Noy. And worst still, the Khmer Rouge on 14 August fired 45 shells on the government troops' position in the area as well.

And between 15 and 16 August, the Khmer Rouge fired with DK-82 and DK-75 guns 30 shells on Ta Siem Commune and Ro Hal Village in Svay Leu District.

Preah Vihear, Kompong Chhnang

BK2408143392 Phnom Penh SPK in French 1113 GMT 24 Aug 92

[Text] Phnom Penh 24 Aug (SPK)—According to sources at the Commission for Coordination on Military Affairs with the UN Transitional Authority in Cambodia, [UNTAC], on 17 August at 1415 (local time) Khmer Rouge troops from Division 612 fired six H-107 projectiles on Kulen district seat, Preah Vihear Province, destroying a house of the local population.

On 18 August, at 1800, Pol Pot troops attacked a unit of the government armed forces stationed in Svay Pat Village, killing one soldier.

In Kompong Chhnang Province, troops from Khmer Rouge Division 417, armed with B-40 rockets, launched an attack on 15 August against a unit of the government army in the sector marked W.V. 46 50.

On 17 August, 14 Khmer Rouge soldiers from Division 785 looted Pongro Village in Sdaeung Chey Commune, Cheung Prey District [Kompong Cham Province], taking with them a fair amount of husked rice and 50,000 (five hundred thousand) Cambodian riel [figure and expansion as received].

Farming Delayed Due to Rain, KR 'Harassment'

BK2308055692 Phnom Penh SPK in English 0414 GMT 23 Aug 92

[Text] Phnom Penh SPK August 23—Rice cultivation in Kompong Thom Province, 150 km north of Phnom Penh, has been delayed due to low rainfall during this year's rainy season and frequent harassment by the Khmer Rouge [KR], said Pich Nan, chief of planning bureau of the local agricultural service.

So far farmers have put 53,800 hectares under rice, or just 34.4 percent of the set plan, he said, adding the cultivation was too slow compared with the same period last year due to serious lack of water.

According to him, this year the farmers could achieve at most 80 percent of the cultivation target provided that "we have sufficient water".

Indonesia

Yugoslavia Hands Over Nonaligned Leadership

BK2508092292 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 25 Aug 92

[Text] Yugoslavia today formally handed over the leadership of the Nonaligned Movement to Indonesia through a cable sent from Belgrade. Foreign Minister Ali Alatas disclosed this to reporters after he met with President Suharto at Jakarta's Merdeka Palace this morning, during which he briefed the president on the nonaligned summit preparations.

[Begin Alatas recording] We have received preliminary information from the Yugoslav foreign minister in the form of a cable, which essentially says that he has handed over the Nonaligned Movement leadership to Indonesia at the ministerial level before the summit starts. The official letter will arrive later, but the contents of the letter have been cabled to us. Therefore, the issue of leadership has hopefully been solved. Of course, we appreciate Yugoslavia's decision because it will help facilitate the convening of the summit. [end recording]

Alatas stressed that Yugoslavia's decision is praiseworthy even though in reality, the leadership has not been handed over to Indonesia.

Minister Calls for Humanitarian Aid for Bosnia

BK2408143692 Jakarta ANTARA in English 1148 GMT 24 Aug 92

[Text] Jakarta, Aug 24 (OANA-ANTARA)—Religious Affairs Minister Munawir Syadzali appeals to Indonesian Moslems and other religious people in this country to render humanitarian assistance to the community of Bosnia-Hercegovina, currently undergoing pressures from Serbia.

"We ought to take action without seeing it merely from religious point of view because not all people of Bosnia are

Moslems," said the minister in reply to press questions after submitting reports to Vice President Sudharmono here over the weekend. The minister reported to Vice President Sudharmono on the planned Hindu international conference in Bali from 3 to 6 September 1992. He said that contributions to the Bosnian people can be channeled through the Indonesian Red Cross Society (PMI).

"I know that the Indonesian Government also plans to provide assistance to the Bosnian people and that similar assistance will be given to the people of Somalia, now being hit by famine, as a result of internal conflict," Munawir disclosed. He said that the humanitarian aid to both countries is urgent, as their conflict that involves humanity problems has reached an alarming stage.

The minister said that Vice President Sudharmono was prepared to formally open the Hindu conference in Bali which will also be attended by delegates from Asian countries. He quoted the vice president as having pointed to the increasing role of religion in answering the challenge of time.

International Action in Bosnia-Hercegovina Viewed

BK2508023292 Jakarta THE INDONESIA TIMES in English 11 Aug 92 p 2

[Editorial: "Military Action To End Yugoslav Tragedy"]

[Text] The dynamics of internal and international political developments sometimes merge to make foreign policy consistency elusive for national governments. A number of foreign governments may find this to be more true when as they confront the question of what steps to take to resolve some of the disturbing problems related with the former Yugoslavia.

For instance, increasing discussion about possible international military action to stop the civil war in the former Yugoslavia had in fact occurred as early as last May. American and European officials then already anticipated that a full-scale operation could involve up to 100,000 troops.

At the same time, however, they feared that the casualty toll to interventionist forces in such an operation would be higher than the Gulf War. In addition, while military intervention in support of a humanitarian operation is feasible, it would not reduce or halt the ongoing internal conflict.

The combatants could be forced to negotiate a peaceful settlement, but such a task would require massive ground support which almost certainly would involve a large contingent of American troops. At a time when he is facing an uphill re-election battle, one can understand the extreme restraint exercised by U.S. President George Bush to the idea of an American-European military intervention in Yugoslavia.

Despite arguments to the contrary from the Bush camp, Democratic presidential candidate Bill Clinton and other party leaders see Bush's policy on Yugoslavia as a case of election-year "diplomatic double-talk." To emphasize the point, Clinton publicly called for a more aggressive U.S. response, including possible air strikes authorized by the United Nations.

The Serbian forces, accused by the international community of committing wanton atrocities both in the battle fields and against prisoners held by them, have not lost their ingenuity. The intensity of their military offensive and scale of brutality can be adjusted accordingly; if world censure intensifies, they take a corresponding retreat.

Theoretically, one way of keeping Serbian atrocities as low as possible, and then eliminate them altogether, would be to punish the felons. A good opening action in that direction would be to impose step-by-step sanctions on the Serbs, both those who are now on a rampage in Bosnia-Hercegovina and their supporters across the border in Serbia.

Effectiveness of the punishment option may be gradual. One must remember that the former Yugoslavia is one of Europe's large independent producers of armaments.

Laos

Talks With Thailand Successfully Concluded

BK2408150392 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 24 Aug 92

[Text] The second meeting of the Joint Lao-Thai Cooperation Commission held from 21-22 August at the Samui Island, in the southern province of Surat Thani, Thailand, concluded successfully.

Participating in the meeting were His Excellency [H.E.] Phoun Sipaseut, Lao deputy prime minister, minister of foreign affairs, and chairman of the Lao Cooperation Committee; H.E. Asa Sarasin, Thai foreign minister and chairman of the Thai Cooperation Committee; and a number of high-ranking officials and technicians concerned from both sides.

During two days of the meeting, both sides reached an agreement to cooperate with each other in safeguarding peace and security along their common border. They agreed that the Lao-Thai joint border committees should hold further meeting and talks with each other in order to find ways and means to successfully settle the disputes over the demarcation between Laos' Boten District, Sayaboury Province, and Thailand's Chat Trakan District, Phitsanulok Province.

On the narcotics issue, both sides agreed to participate in the tripartite narcotics suppression cooperation among Laos, Thailand, and Burma.

The meeting acknowledged results of the fifth tripartite meeting of Laos, Thailand, and the United Nations High Commissioner for Refugees [UNHCR] on the issue of repatriation, which was held from 13-14 July 1992 in Laos.

The meeting heard a progress report on the operations of the [name indistinct] Company in the transportation of goods across the Lao-Thai border. The joint commission agreed to liberalize goods transported from other countries through Thailand to Laos, and from Thailand to Laos by letting both private and state enterprises bid fairly for the transportation service.

On energy cooperation, the two countries agreed to jointly conduct a feasibility study to improve and build more electricity generating plants.

On economic and technical cooperation, the two countries will carry out activities in a more systematic manner as a long-term project.

In 1993, Thailand will consider granting 50 scholarships for long-term education of Lao students, and 220 scholarship for short-term training courses. Furthermore, Thailand will also supply to Laos a quantity of education and public health equipment.

In addition, the two sides also reached agreements on promoting cooperation in border trade; lowering import taxes levied on agricultural goods and on Lao processed wood; promoting foreign investment in Laos; as well as expanding cooperation in the fields of culture, tourism, and on other issues of mutual interests.

Concerning the aforementioned results, which are satisfactory for both sides, on 22 August H.E. Phoun Sipaseut and H.E. Asa Sarasin jointly signed a memorandum on the cooperation between the two countries and jointly gave a news conference on the success of the meeting at Samui Island, Surat Thani Province.

This morning, H. E. Phoun Sipaseut led the Lao delegation to return to Vientiane safely. They were received at Wattai International Airport by Khamphoui Keoboualapha, deputy prime minister and minister of economy, planning, and finance; and a number of high-ranking authorities concerned. Phongsak Wichayathat, Thai charge d'affairs to Laos, was also present to receive the Lao delegation at the airport.

Assembly Chairman Addresses Savannakhet Officials

BK2208050592 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 22 Aug 92

[Text] In mid-August, Nouhak Phoumsavan, Political Bureau member of the party Central Committee and chairman of the Supreme People's Assembly, met and addressed members of the district party and administrative committees, canton and village administrative committees, and more than 100 senior front members from throughout Champhon District, Savannakhet Province. The meeting was held at the meeting hall of the Champhon District administration office.

On this occasion, Nouhak Phoumsavan conveyed greetings and best wishes to the people of the district. He asked about the production situation as well as daily life of the multiethnic people of the district at present. He also instructed the administrative committees at all levels to concentrate all their abilities, energies, and initiatives on helping the people boost the seasonal rice farming so as to enable them to produce rice as goods. In conclusion, he instructed the administrative committees to encourage and guide the party members, cadres, and multiethnic people in the province to make concrete plans for each family, to launch campaigns, and to translate into reality the resolution of the fourth congress of the provincial party organization in carrying out tasks in their daily life.

Philippines

Foreign Secretary Begins Tour of ASEAN Nations

HK2408093292 Manila BUSINESS WORLD in English 24 Aug 92 p 15

[By Jose G. Ebro]

[Text] Foreign Secretary Roberto Romulo departed for Bangkok yesterday on the first half of the customary round of courtesy calls on his ASEAN counterparts.

However, close aide Andy del Rosario said Mr Romulo's visits to Thailand, Indonesia and Singapore will be workmanlike and "not a mere exchange of pleasantries." The foreign secretary will be in Jakarta on August 25, proceeding on to Singapore the following day. He is expected to return to Manila on the 28th. Visits to Malaysia and Brunei will follow in September.

The economic agenda will include discussions on increasing intra-ASEAN trade, the coordinative mechanisms for realizing an ASEAN Free Trade Area in the shortest time possible, and a common ASEAN response to the recently signed North American Free Trade Agreement [NAFTA]. Recent trade statistics furnished by the National Statistics Office [show that] the Philippines habitually suffers trade deficits with its ASEAN neighbors.

Specifically, Mr Romulo, an old Bangkok hand, will seek a briefing from Thai Foreign Minister Asa Sarasin on its strong trade ties with Mexico. "We haven't taken advantage of our historic and cultural ties," Mr Romulo recently complained. In light of NAFTA, he believes Mexico is the "back door" to ensuring access for Philippine products into the North and Latin American markets.

The Philippine foreign secretary will also seek Mr Sarasin's assessment of the situation in Cambodia. As the "rookie", Mr Romulo, a Western diplomat expects, will "follow the lead" of his more senior counterparts on such delicate issues as the peace process in Cambodia and the handling of Myanmar [Burma].

In Jakarta, Mr Romulo and Indonesian Foreign Minister Ali Alatas will discuss Philippine membership in the Non-Aligned Movement [NAM]. "Indonesia is eager to show that NAM remains relevant despite the end of the Cold War. The Philippines' membership is proof of that," an Asian diplomat remarked.

Mr Alatas is also expected to "exert a guiding hand" with regard to the issue of territorial disputes in the South China Sea. His support during the recent ASEAN Ministerial Meeting here was instrumental to getting the rest of the ASEAN ministers to go along with a Philippine-proposed declaration on the peaceful resolution of disputes in the South China Sea.

With the Philippines seen by most European countries as the "most sensitive" to human rights concerns, Mr Romulo might play a broker's role in seeing to it that the Portuguese-Indonesian squabble over East Timor does not permanently junk the conclusion of a new ASEAN-EC Cooperation Treaty—although a Western diplomat feels it is "unrealistic to expect that it can be signed during the (ASEAN-EC) ministerials in October."

Last week, Mr Romulo said he plans to meet with representatives of 50 Singaporean manufacturing firms. "I am giving them a presentation about trade prospects here," he said.

Singapore's economic boom and corresponding rise in living standards is fuelling investment moves into the Philippines, a senior DFA [Department of Foreign Affairs] official observed.

While Mr Romulo has yet to delve into security matters, Singaporean and Philippine military officials have been discussing various proposals for defense cooperation. Diplomatic sources indicate that Singaporean Foreign Minister Wong Kan Seng could broach the topic during Mr Romulo's visit there.

Among the proposals is an access arrangement for Singaporean jet fighters for training purposes and a military assistance program for the Philippines.

Abadia Orders Tighter Air, Waters Security

HK2408060992 Quezon City MALAYA in English 22 Aug 92 p 2

[By Noel Bartolome]

[Text] Gen. Lisandro Abadia, Armed Forces chief of staff, ordered yesterday the Air Force and Navy to set up a communications network to monitor intrusions by foreign fishermen, smugglers and pirates into local waters and air space, including the Filipino-held Kalayaan islands in the disputed Spratlys group of islands.

Abadia said the network will be set up pending approval by President Ramos of the Spratlys Defense Plan proposed by Maj. Gen. Epineto Logico, chief of the Palawan Command which has jurisdiction over Kalayaan.

Logico has asked for the deployment of additional troops, aircraft and Navy ships to Palawan and nearby seas.

He has asked that elite troops be deployed to Kalayaan islands which belong to the Spratlys also being claimed by China, Taiwan, Malaysia, Vietnam and Brunei.

Early this month, an Army Special Forces battalion, one of the best AFP [Armed Forces of the Philippines] units, was fielded in Palawan to reinforce the Marine contingent based in the island.

Ramos Elaborates on Firing of Police Chief

HK2408075592 Manila BUSINESS WORLD in English 24 Aug 92 p 16

[By Maricar S. Bautista and Wilfredo G. Reyes—italicized passages published in Tagalog]

[Text] Lingayen, Pangasinan—President Ramos the other day indicated that relieved Philippine National Police [PNP] chief Cezar P. Nazareno should have been fired a long time ago.

In a press conference here over the weekend, the President said the reason he had to terminate the appointment of Gen. Nazareno was because of "the defects, the shortcomings and the lack of efficiency in the administration and management of the PNP.

"Now," he added, "these defects date back from as far as the early days of the Nazareno administration in the PNP."

He explained that the matter became serious after he, as President, embarked on "reform for good government." It is significant to note that Gen. Nazareno was appointed to the post by former President Aquino.

He pointed to his recent order to the Commission on Audit to check the books of all government agencies as proof of his resolve of a better government.

But the President also stressed that Gen. Nazareno's relief did not mean he was found guilty of involvement in criminal activities.

"We are not talking about criminal activities," he said, adding that the matter remains the sole concern of the Presidential Anti-Crime Commission, headed by Vice-President Joseph Estrada.

"Now," he added, "should the evidence of criminal offenses be unearthed in the results of fact-finding efforts, these should be turned over to the proper authorities for further evaluation."

But as of the moment, the former PNP chief is "frozen" in the Office of the President.

Presidential spokesperson Annebelle Abaya told reporters here that the President received the recommendation of the National Police Commission to fire Gen. Nazareno last August 13.

Last Friday, presidential legal adviser Antonio Carpio submitted to the President a report on the laws that govern the appointment and relief of the PNP chief.

She said Mr. Carpio reported that the President can end the four-year term of the PNP chief since this was not fixed.

The following day, Saturday, the President announced his decision to relieve Gen. Nazareno.

As this developed, Gen. Nazareno urged all his former subordinates not to be detracted from the current war against organized crime by the recent intrigues that have racked the entire institution.

The former PNP chief also rallied them behind the new leadership of Director General Raul Imperial. In an apparent admission of his command shortcomings, Gen. Nazareno expressed confidence Gen. Imperial could "handle the job as Chief PNP much better" and "has proven his leadership capability."

Gen. Narzareno took time off from a tennis game the other day to talk to reporters on his ouster. He said he had no regrets regarding his record nor for his relief and that future revelations would eventually vindicate his name. "*I know I am not a bad person, and I have done nothing wrong,*" a composed and relaxed Nazareno remarked. "*The time will come when everything will be clarified.*"

Nevertheless, he refused to comment on the actual circumstances surrounding his ouster, saying PNP spokesman Senior Superintendent Reyaldo Wycoco would soon issue a statement in this regard.

Meanwhile, Senator Blas Ople yesterday called for a more objective examination of the current peace and order situation rather than blaming it all on Gen. Nazareno.

In a statement, Mr. Ople, invoking the extent of "command responsibility," asked: "Does the responsibility stop at the desk of the PNP chief, or does it reach upward to higher authority? Is Nazareno guilty of malfeasance, misfeasance, or nonfeasance, or is he merely being set up as fall guy for blunders committeed by his superiors?"

Earlier, Sens. Ernesto Herrera and Francisco Tatad called for the resignation of Mr. Alunan [secretary of interior and local governments], Gen. Nazareno's immediate superior, in light of the controversy surrounding the alleged designation of 12 provincial police directors without consulting the concerned local government officials.

While "reserving my own judgment until more facts become available," Mr. Ople pointed out that "it is not too soon to note, however, that the resolution of the National Police Commission, cited as the ground for his relief, is extremely vague and ambiguous. It seems to hold Nazareno responsible for the demoralization of the PNP and equates this with mismanagement and inefficiency."

As for the statement of support for Mr. Alunan issued by House Speaker Jose de Venecia over the weekend, Mr. Ople charged that "this is carrying automatism too far.

"I did not know that all (members of the rainbow coalition) have agreed to abdicate their faculty of judgment to Speaker de Vencia... (Mr.) Alunan is not one of those fateful issues on which a party in parliament can rise or fall. The Speaker ought to show better respect for the individual consciences of his own adherents, who have their own electoral mandates," he added.

Acting Director Vows To 'Straighten Out' PNP

HK2508052992 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 24 Aug 92

[Text] Raul Imperial, the acting Philippine National Police [PNP] director general, has vowed to straighten out the PNP leadership and punish corrupt policemen. Imperial said he plans to launch a values formation seminar for all police personnel, including its officers. He said the seminar aims to lift the law enforcers' morale and eliminate the people's bad impression of them. Imperial has also ordered the PNP comptroller director to resolve the police salary problem. He added he will implement measures to make PNP personnel effective and worthy of respect.

Meanwhile, Captain Honorato Laurel, of the Western Police District General Assignment Section, is hoping that former Director General Cesar Nazareno's dismissal will bring some good to the PNP. Laurel cited Nazareno's preference for former Philippine Constabulary [PC] personnel for PNP field commander positions. He said this should be changed under the leadership of acting PNP Director General Imperial. The PNP was formed by joining the PC and the Integrated National Police.

Official on Upcoming Peace Talks With CPP Leader

HK2508053892 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 24 Aug 92

[Italicized passages in English]

[Text] Here is a report by Jill Risonto on the forthcoming dialogue between Representative Eric Singson and Jose Maria Sison, Communist Party of the Philippines [CPP] chairman.

[Begin recording] [Risonto] Representative Eric Singson is optimistic a compromise will be reached between Jose Maria Sison and the administration of President Fidel V. Ramos.

In an interview, Singson said he and the four other members of a five-man committee formed by the present administration are ready to leave for the Netherlands on Wednesday [26 August]. Singson identified his companions for the dialogue as Representative Jose Yap, who is the committee chairman; Horacio Boy Morales, a former rebel supporter; Romeo Capulong, who was once a lawyer for the National Democratic Front; and Bernabe Buscayno or Comrade Dante, former New People's Army chairman. They will go to the Netherlands to present to CPP Chairman Sison the amnesty proposal outlined by President Ramos in his state-of-the-nation address. Singson called on the media not to float reports which may sabotage the peace talks. He added that after the dialogue, they will report the result to President Ramos.

[Singson in progress]....*exploratory talks and we'll ask their ideas about the programs that the president has said, specially during his state-of-the-nation address. So, this is just a follow-up of what the government is offering to them.*

[Risonto] *The initial reaction of the CPP is they are not, somewhat, in favor of the amnesty for some certain reasons. How are you going to bargain in order for them to buy that amnesty offer?*

[Singson] *Well, that's what we want to know from them. This is why we are going there to know what they want. Then we will relay this matter to the president.*

[Risonto] *So what are your premises? That you can convince them that this amnesty is for real? What will you tell them?*

[Singson] *Well, I think they want to present first some demands about changes in the government programs. So from there, probably we can come out with some positive agreement regarding this. And this will improve later; probably, the amnesty will come in.* [end recording]

Mindanao Communists Send Out 'Surrender Feelers'

HK2408030292 Manila Far East Broadcasting Company in Tagalog 0100 GMT 24 Aug 92

[Text] The communist movement will not last in Mindanao, according to Major Danilo Acosta, Civil Relations Group commander for Northern Mindanao. He said rebel field commanders in Davao del Sur and South Cotabato have sent surrender feelers. He said some of the rebels' requests have been met, including the disbandment of Citizens' Armed Forces Geographical Units and the withdrawal of government troops from suspected rebel-infested areas.

Police Arrest 16 Mindanao Communist Officials

HK2508062792 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 25 Aug 92

[Text] The Philippine National Police have arrested in Parang, Maguindanao, 16 officials of the Communist Party of the Philippines-National Democratic Front. The group was believed to be preparing for a meeting when the police chanced upon them in a safehouse. Of those arrested, 10 were front secretaries of the communist movement in Southern Mindanao. Recovered from them were four diskettes, one computer, and one radio.

Thailand

Anan Urges ASEAN Environmental Efforts

BK2208031792 Bangkok BANGKOK POST in English 22 Aug 92 p 13

[Text] Prime Minister Anan Panyarachun yesterday called for cooperation between ASEAN member countries to protect the environment.

Opening the ASEAN Travel Show 1992, an international tourism event aimed at supporting the Visit ASEAN Year 1992 and celebrating Her Majesty the Queen's 60th birthday, Mr Anan said world attention had increasingly turned to the crucial issue of environmental protection.

The show is being held at the Queen Sirikit National Convention Center.

"The dangers to our future survival and that of the planet are well known. For the tourism industry, the issue has a particular relevance, in that we must safeguard the natural attractions which draw visitors to our beautiful countries," he said.

These attractions ranged from unspoilt beaches and clean water to the natural habitats in which flora and fauna can flourish, he said. ASEAN nations, as guardians of many of the earth's rare and dwindling tropical rain forests and coral seas, had a particular responsibility in this area.

While it could be difficult to balance the conflicting demands of man and nature, it was in all ASEAN nations' longterm interests to ensure they retained the clean, natural beauty for which they were renowned.

"Eco-tourism" was becoming a more widely-understood concept in the region, he said.

"Both the government and the private sectors must strive to achieve that sustainable balance between development of ASEAN tourism facilities and ensuring the natural world remains undamaged.

"Our beautiful countries in ASEAN have so much to offer in terms of varied and rich cultural traditions, beautiful beaches and forests, some of the best shopping in the world, vibrant cities, and top-class sporting and recreation facilities. Whether the traveller wants to relax, see the sights or try a new adventure, the six nations of ASEAN offer a unique range of holiday choices."

The Premier said he was proud of the cooperation between ASEAN nations, particularly on tourism.

ASEAN countries welcomed over 20 million tourists last year. Since 1981, visitor arrivals to this region had grown by 121.5 percent, the highest growth rate in the world. Of the 20 million visitor arrivals to ASEAN last year, about eight million or 40 percent came from other ASEAN member nations.

"So it makes good sense to further strengthen our joint efforts to develop and promote our countries as holiday destinations, and this ASEAN Travel Show is one strong demonstration of the way in which our countries are working together to enhance our region's tourism industry," he said.

"In addition to several activities jointly launched by ASEAN nations, another event, which will link several of

the ASEAN nations together, will be the start of the new Orient Express deluxe train, scheduled to begin service early next year."

The ASEAN Travel Show continues until Sunday. On Saturday and Sunday, the public would be able to glimpse the colourful cultures of the region and plan their next holidays in one or more of Thailand's ASEAN neighbours.

Diplomatic Relations Established With Angola

BK2408075992 Bangkok Radio Thailand Network in Thai 0000 GMT 24 Aug 92

[Announcement issued by the Prime Minister's Office on 24 Aug on the establishment of diplomatic relations between Thailand and the People's Republic of Angola—read by annoucer]

[Text] In pursuance of the desire to further promote the existing friendly relations between the Kingdom of Thailand and the People's Republic of Angola, the governments of the Kingdom of Thailand and the People's Republic of Angola have agreed to establish normal diplomatic relations beginning 24 August 1992. Diplomatic representatives at the ambassadorial level will be later exchanged.

Announced on 24 August 1992.
[Signed] Anan Panyarachun, prime minister.

Military To Pressure UNTAC To Curb Border Crime

BK2308050092 Bangkok THE NATION in English 23 Aug 92 p A3

[Text] Samui Island—Thailand will put pressure on the United Nations Transitional Authority in Cambodia (UNTAC) to step up its suppression of Cambodian bandits responsible for a wave of crime in Thai border provinces, an informed source said yesterday.

Army Commander in Chief Gen Wimon Wongwanit is expected to raise the problem when he meets UNTAC chief Yasushi Akashi and military commander Lt Gen John Sanderson next week, the source said.

The two would be asked to react as quickly as possible to Thailand's request for UNTAC to help stop the rash of crime, he said.

In the latest incident, an armed Cambodian group earlier this week robbed a shop in Ta Phraya district of Prachin Buri province and kidnapped 16 villagers for ransom.

The bandits released 14 of the hostages shortly after the robbery. The other two victims escaped early yesterday morning while the captors were asleep, police said.

About 100 border patrol police and defence volunteers, assisted by two armoured personnel carriers and one helicopter, were yesterday hunting for the bandits, whose last hideout was believed to be near Lahan Sai district of Buri Ram province.

National Security Council Secretary General Gen Charan Kunlawanit yesterday said there had been a rapid increase of crime in Thai border provinces particularly Prachin Buri. The type of crimes being committed included slayings, robberies and rapes, he said. Charan blamed UNTAC for the crime wave, which was assigned to control and demolish armed groups in Cambodia. He said the UN authority's failure to control the groups resulted in their crossing the border to prey on Thai villagers.

"The rate of crimes in Thai border provinces has rapidly increased. UNTAC should make a better effort to control the armed groups to curb further crime in Thailand," he said.

Charan also expressed doubt on the disarmament of Cambodia's four factions as specified in the Paris peace accord. UNTAC has not checked by itself the exact number of each faction's troops but only has the figures given by the factions.

"So how can the UNTAC believe that the military personnel listed for disarmament represent 70 per cent of each faction's force as agreed," he said.

Asa Comments on Southern Separatists Activities

BK2408032792 Bangkok THE NATION in English 24 Aug 92 p A2

[Excerpt] Thailand would be "extremely upset" if foreign countries were supporting terrorist activities here, Foreign Minister Asa Sarasin said yesterday.

However, he stressed that the Thai authorities could not yet determine whether the bomb explosion at Hat Yai railway station which killed three people had anything to do with any foreign country.

"We cannot yet conclude who did it and who backed the culprits," Asa said.

"But it's not right for any country to use another country as a base for attacks on a third country," he added.

The minister would not elaborate.

Southern Muslim separatist terrorists were blamed for the Aug 13 bombing which also left more than 70 people injured.

An unsigned letter bearing the logo of the Phatthani United Liberation Organization (PULO), the most influential of the three main secessionist factions demanding independence for the four southernmost Thai provinces, was found at the scene.

It claimed that PULO was responsible for the bombing, one of the most violent acts of sabotage in Songkhla province in years.

Shortly after the bomb attack, a fundamentalist opposition leader in Malaysia expressed deep sympathy with

the Thai secessionist movement and suggested that the Muslim guerrillas could use Kelantan as their sanctuary.

Thai and Malaysian diplomatic sources said Haji Hadi Awang, the deputy president of Malaysia's Parti Islam (PAS), was most likely "acting on his own" and his remarks must not be considered as the policy of the central government in Kuala Lumpur.

Malaysian sources said Kuala Lumpur was trying to distance itself from the PAS, which rules Kelantan, as far as the Thai separatist issue was concerned.

Thai officials have avoided comments on Hadi's remark.

According to the Thai army, four "low-ranking" Muslim guerrillas carried out the sabotage without the knowledge of separatist leaders who held peace talks with Thai negotiators in Kelantan during the weekend.

One of the attackers had received military training in an Arab country, the army said.

Asked how Thailand would react to reports of alleged involvement of foreigners in terrorism here, Asa said: "We can't do anything until we have completed our investigation. So far most information has come from newspaper reports."

The minister noted that the Interior Ministry had set up an ad hoc committee to investigate the Hat Yai incident.

"We have to wait for things to become clearer. But on Thailand's part, if any country tries to use our neighbouring countries to stage a campaign to undermine us, we will be extremely upset," Asa said.

The bomb attack in Hat Yai took place during an otherwise dormant period of the Muslim separatists, who the Thai authorities said had been ideologically and strategically weakened over the past few years. [passage omitted]

Asa Clarifies Statement

BK2408143592 Bangkok Radio Thailand Network in Thai 1200 GMT 24 Aug 92

[Text] Foreign Minister Asa Sarasin clarified to newsmen a report which said he implicated a foreign country for supporting the activities of the PULO [Pattani United Liberation Organization] bandits in southern provinces of Thailand. The foreign minister said he did not make a statement of fact to that effect, but only commented in principle that it is inappropriate for any country to give sanctuary to those undermining a third country. The minister said any charge to this effect must be substantiated by solid evidence, such as the case of the Hmong terrorists from Pathet Lao carrying out subversive activities in Thailand in the past. The foreign minister said it is not proper for any countries to give sanctuary to terrorists. As for the report on terrorists having links with the Middle East countries, authorities are keeping a close watch on those people. Authorities have learnt that there was training in the Middle East, but they still lack evidence. The authorities will keep a close watch on this.

Security Head 'Unsure' of Separatist Group's Aims

BK2208024992 Bangkok BANGKOK POST in English 22 Aug 92 p 3

[Text] Samui Island, Surat Thani—National Security Council [NSC] secretary-general Gen Charan Kunlawanit says he is unsure of the real aim of a Phatthani United Liberation Organisation [PULO] faction in setting off last week's bomb blast at Hat Yai Railway Station.

Evidence obtained by the NSC clearly shows that a faction of PULO led by Sama-ae Thanam was responsible for the bombing.

The general, who is attending a Thai-Lao border meeting, said the NSC is still trying to find out what the group wants but the attack does not relate to the election.

A Muslim leader in the far South earlier told the BANGKOK POST on condition of anonymity that he doubted whether PULO was behind the attack because the separatist movement is negotiating a truce with the Fourth Army. The general claimed an eyewitness to the bombing said those who committed the attack are members of Sama-ae's group, "Although PULO has not committed such violence for about 10 years the group still exists," the NSC leader said, adding the NSC must help catch the culprits as soon as possible and prevent a similar tragedy.

Gen Charn said he does not expect a repeat bomb attack but PULO may be involved in shootings.

Meanwhile, Foreign Minister Asa Sarasin said one faction of PULO plans to surrender to Thai authorities although others apparently are still bent on fighting for autonomy for the four southern provinces.

The surrender of the PULO faction should take place under similar conditions to that of Chinese communist guerrillas previously operating on the Thai-Malaysian border, who were required to lay down their arms first, be said.

He will discuss the PULO question with Fourth Region Army Commander Kitti Rattanachaya on August 31.

He will also discuss the issue with Mr Charan.

Mr Asa spoke soon after arriving on Samui Island for the second meeting of the Thai-Lao joint commission today.

Former Premier's Election Campaign Analyzed

BK2008024592 Bangkok THE NATION in English 20 Aug 92 p A10

[Editorial: "Why Isn't the Public Embracing Chatchai?"]

[Text] Gen Chatchai Chunhawan's political comeback is not turning out as smooth and successful as he would like it to be. His attempt to develop a new image as the grand mediator between the two opposing political camps has run into a major stumbling block. The alliance of the four former opposition parties, led by New Aspiration, made clear earlier this week it would not back any "unusually wealthy" politician for the next premiership.

Chatchai made a shrewd, though rather cruel move, in deserting Chat Thai—the party which he helped found and led during 1986-91. But he made a big mistake in trying to build up Chat Phatthana (National Development) into an instant super party by recruiting many former MPs from the infamous Samakkhitham Party and its allies from the pro-military majority coalition.

Among the 68 former MPs in Chat Phatthana, 41 of them came from the now defunct Samakkhitham. There are only 15 from Chat Thai, 3 each from Prachakon Thai and Social Action, 2 each from Democrat and New Aspiration, and 1 from Solidarity and Phalang Tham.

In other words, about 90 per cent of Chat Phatthana's veteran candidates had belonged to parties that supported the controversial premiership of Gen Suchinda Khraprayun during his short-lived administration of April-May, 1992. This is, of course, tragically ironic in that Suchinda was the real leader of the coup of Feb 23, 1991, which toppled Chatchai and led to the seizure of Bt [Thai baht] 226.5 million of his assets.

Chatchai only hurt his credibility when he feigned surprise and indignation at a report that 38 of Chat Phatthana's candidates are on PollWatch's list of suspect politicians. He contended that Chat Phatthana was a "new" party and should not therefore be held responsible for whatever other parties had done in past elections. He chose to ignore the fact that many of Chat Phatthana's top candidates are not political greenhorns, but well-known and mercenary veterans with "long fangs" (to borrow the Thai cliche).

By ridiculing the seizure of one of his bank accounts that has an overdraft of Bt67, Chatchai may make the military's appointed assets investigation committee look amateurish. But Chatchai lost Bt226.5 million in assets—not just a bank account marginally in the red—because the committee found him "unusually wealthy" during his 30 months in power, and he couldn't or wouldn't explain satisfactorily the sources of the assets in question.

Chatchai also didn't help his case with the disclosure that coup leader then Supreme Commander Gen Sunthon Khongsomphong personally assured him he would be "let off the hook" in the assets investigation if he washed his hands of politics and left the country for temporary exile. Chatchai did step down as leader of Chat Thai and went to London after the coup leaders set him free in March 1991. When he came back for a brief visit later that year he even joined the chorus of praise for then Army Commander Gen Suchinda Khraprayun as "the most suitable person" to head a new government after the election on March 22, 1992.

Chatchai should stick to the old familiar line that he wasn't given a fair hearing during the probe into his wealth because he had to spend most of his time abroad, and that the probe was part of an attempt by the coup leaders to destroy him and clear the way for Suchinda's rise to the premiership.

Most importantly he can remind the public that he is appealing the seizure of his assets in court and should be considered "innocent" until the Supreme Court rules otherwise.

It is said that one of the primary goals of Chatchai's comeback is to clear his name politically. He is a sure-fire winner in Nakhon Ratchasima's Constituency No 1, where he was successful in all four elections he contested. This time his team includes Suwat Liptapallop, the top vote-getter (from the now defunct Phuangchon Chao Thai) in Constituency I in the two previous elections. This means Chatchai can spend more of his time campaigning for Chat Phatthana's teams elsewhere; he has even found the time to make a three-day visit to Phnom Penh this week.

The lack of real competition in Chatchai's constituency will greatly diminish the lustre of his anticipated election victory. He may say his constituents trust him, but he cannot yet claim that the rest of the nation does also.

Thus he has another primary goal of securing for Chat Phatthana a place in the new government coalition so that he can say a majority of elected politicians trust him. However, this may still be insufficient.

Chatchai's most cherished goal is to head the next government so that he can claim he has the confidence of not only a majority of MPs in the House, but also the entire nation as well as the international community.

Once firmly in power, Chatchai seems to believe he will be able to start undoing the wrongs the coupmakers have done him, like amending the Constitution to remove the bar on national politics and government office for "unusually wealthy" politicians whose assets have been seized by the state (and who have exhausted all legal appeals against the seizure).

Chatchai's supporters are trying to portray him as a democratic populist victimized by the power-hungry military clique of Suchinda. But they must not underestimate the public's ability to remember the corruption scandals during his "No Problem" administration, and how ineffective Chatchai was in controlling unruly politicians on his so-called "Buffet Cabinet".

It is the spectre of a return of the "Buffet Cabinet"—in which politicians take whatever they can and at will, with little or no protest from fellow coalition partners—that is apparently making the public balk at embracing Chatchai's political comeback in the way the deposed premier dearly desires.

SRV Refugees' Children To Gain Thai Nationality

BK2008120992 Bangkok NAEO NA in Thai 20 Aug 92 p 3

[Text] The National Security Council held a meeting to explain Thailand's policy toward Vietnamese refugees at Kaen In Hotel in Khon Kaen Province on the afternoon of 19 August.

During the meeting, General Charan Kunlawanit, secretary general of the National Security Council, revealed that Vietnamese refugees began migrating to Thailand about 1945, following the end of the Second World War. The government at that time allowed them to stay in restricted areas, which they have up until the present, nearly 50 years later. At present, some 40,000 Vietnamese refugees remain in Thailand and the Vietnamese Government has refused to take them back. Since the children of these refugees have so far behaved as good citizens, the Thai Government deems its appropriate to grant Thai nationality to an initial group of 9,000 children of Vietnamese refugees. Most of the Vietnamese refugees' children born in Thailand, now aged 40 to 50, are living in northeastern border provinces, including Ubon Ratchathani, Sakon Nakhon, Nakhon Phanom, Mukdahan, and Nong Khai. The Thai Government will consider further such action in the future.

The secretary general of the National Security Council also disclosed that there are now some 53,000 Lao refugees in Thailand, and that the Thai Government plans to send them all back to Laos within three years.

Vietnam

Radio 'Elaborates' on Phnom Penh Statement

BK2408135192 Hanoi Voice of Vietnam in English 1000 GMT 24 Aug 92

[Text] The State of Cambodia has just issued a statement evaluating the implementation of the Paris peace accord on Cambodia, ten months after its signing. Our radio elaborates the statement:

The Paris peace accord on Cambodia progresses slowly and seemingly (?stalemates) of time. It is largely due to the faction of the Democratic Kampuchea, who not only refuses to execute the agreement but also violates it.

The statement of the State of Cambodia points out that since the beginning of Phase Two of the cease-fire on 13 June, the Democratic Kampuchea has not let the UNTAC [United Nations Transitional Authority of Cambodia] force enter their controlled territory. Worse still, they have, on many occasions, opened fire on helicopters and aircraft of UNTAC. In June and July, the Democratic Kampuchea violated the cease-fire 220 times in the provinces of Komphong Thom, Siem Riep, Preah Vihear, Battambang, and Kamphong Cham. They laid landmines on roads and bridges, killing 80 civilians and injuring 200 others.

The statement decries the Khmer Rouge faction for bending the truth and (?prevented) the operation of UNTAC. This faction has also put forward extra proposals as conditions for them to join the peace process such as demand for the dissolution of the Phom Penh Government or a cessation of the presence of Vietnamese troops in Cambodia or the question of Vietnamese residents in Cambodia.

The statement points out that these demands of the Democratic Kampuchea are irrelevant to the Paris agreement, first being refuted by UNTAC and other Khmer factions. The statement sounds an alarm over the implementation of the peace process in Cambodia, stressing that these moves by the Democratic Kampuchea shows that they are still nurturing an attempt to seize back power by force and hamper the Paris peace accord.

The statement calls on the world community to take punitive measures against the Khmer Rouge if they don't abide by the Paris agreement and Resolution 766 of the UN Security Council. It can confirm the State of Cambodia's stance to fully respect the Paris agreement and cooperate closely with UNTAC and other Cambodian factions in an effort to successfully carry out the Paris agreement on Cambodia.

Cooperation With Thailand in Rice Trade Increases

BK2108072792 Bangkok BANGKOK POST in English 21 Aug 92 p 19

[Text] Hanoi—Thailand and Vietnam, two of the world's three main rice exporting nations, have agreed to exchange information on rice production and marketing in order to avert price-cutting in the world market.

Cooperation is planned at three levels: ministerial, official and trader. Commerce ministers or their deputies of the two major rice-trading countries will meet at least once a year to discuss the commodity.

Government officials of the two sides will meet four times a year, while Thai rice traders and Vietnamese state enterprises in charge of rice exports will also meet regularly.

All these steps are designed to reduce uncalled for cut-throat competition and stabilise rice prices in the world market.

They are contained in a "memorandum of understanding for cooperation in rice production and marketing" signed here on Wednesday by visiting Commerce Minister Amaret Sila-on and Vietnam's Minister for Commerce and Tourism, Le Van Triet. Minister Amaret arrived in Hanoi on Tuesday at the invitation of Mr Triet. He left the capital yesterday for a two-day visit to Ho Chi Minh City where he will open a new Thai Trade Centre.

The agreement also includes a vague reference to technical assistance that will be left for the two countries'

agriculture ministries to further negotiate. Thai Agriculture Permanent Secretary Yukti Sarikaphuti will lead a team of officials to Hanoi next week.

Minister Amaret said in an interview with Business Post here that competition between Thailand and Vietnam in the world's rice market is a worrying trend for the near future, even though Thailand still has the advantage of being a veteran rice trader and producer.

Since 1989, Vietnam has emerged the world's third largest rice exporter after Thailand and the United States.

Competition between the two has been particularly fierce in the low-grade rice market. Thailand is still ahead in high-quality rice markets such as Hong Kong and Singapore, where Vietnam has yet to penetrate.

Vietnamese rice is sometimes exported at US$40-50 per ton cheaper than Thai rice. Mr Amaret described the practice as "throwing away the money just like that" when only a US$20-per-ton difference is enough to sway buyers.

"I told the Vietnamese officials that it's the farmers who ultimately bear the brunt of price-cutting in the export market because traders always secure their profits at any price," said Mr Amaret.

Thailand, he said, welcomed Vietnamese officials for exposure trips in rice-related activities.

The minister said the agreement did not specify any timeframe. He stressed that what ensued will be a process that will develop by itself over time.

The first dialogue between government officials and traders of the two countries should take place within the next three months.

Commercial Ties With Thailand Viewed

BK2408123192 Hanoi Voice of Vietnam in English 1000 GMT 24 Aug 92

[Station commentary]

[Text] Vietnam and Thailand have reached final agreement on cooperation in the production and export of farm produce. The document was signed in Hanoi during the working visit to Vietnam by Thai Trade Minister Amaret Sila-on. Our radio contributes the following comment on Vietnam-Thailand commercial ties in the recent period.

During his five-day visit to Vietnam ending last weekend, the Thai trade minister proposed a specific measure aimed at strengthening economic and commercial ties on the basis of mutual benefit. The newly signed agreement will all the more contribute to the development of bilateral Vietnam-Thailand relations. Realities have shown that bilateral trade ties have recently made great strides forward. Last year the two-way trade values reached nearly U.S.$100 million. Thai Foreign Minister Asa Sarasin said the relationship between Thailand and Vietnam has become one of partnership on the basis of mutual understanding, cooperation. Both countries realize that these ties are necessary for peace and stability in Southeast Asia. The Bangkok newspaper of Thailand says in an article that Vietnam today is an interesting place and in a few years to come it will be a focus of attention of foreign investors. In fact, Thai entrepreneurs have recently been attracted to Vietnam in all fields thanks to the new surge in development of the Vietnam-Thailand relationship.

Foreign Investment in First Half 1992 Reviewed

BK2508094492 Hanoi Voice of Vietnam in English 1000 GMT 20 Aug 92

[Text] Many economists assess Vietnam's economy as not yet out of its crisis but they feel it is becoming gradually stable and increasing its growth rate. Inflation has initially been controlled. This factor consolidates confidence for foreign investors in Vietnam.

In the first six months of this year, more than 700 projects worth 476 million dong of prescribed capital were licensed in the whole country, registering an increase of 5.5 times over the second half of last year. Most of the major projects are industrial, agricultural, or tourism related. They involve 450 private companies, 300 limited liability companies, and 20 joint stock companies.

In the field of oil and gas, since the end of 1991, many big oil and gas companies in the world have bid contracts on oil exploration and exploitation on Vietnam's continental shelf. In the first month of this year, Petrovietnam has signed contracts on product sharing, oil exploration and exploitation with Shell, (IUBC), (Texaco Oil), BP, and (Statoil).

In industry, investment projects [word indistinct] in mineral exploitation include coal, granite stone, gold, gem stone, and cement. Many projects are valued at several million U.S. dollars.

In agriculture, worthy of note is a project on banana growing for export and sericulture.

In tourism and services, there have been 10 projects, the biggest of which is the construction of a golf course in Thu Duc, Ho Chi Minh City with foreign investment capital of $70 million.

Besides investment projects in Vietnam, our country also has 12 investment projects in foreign countries. Reviewing the result of investment activities in the first half of this year, many said that the investment environment in Vietnam has improved, creating favorable condition for foreign investors to come to do business in Vietnam. A number of documents under law has been promulgated in the past six months to promote foreign investment in this country. While investment promotion

has been set up, feasibility projects have been gratified [as heard] by concerned offices and local branches.

With the current growth rate, it is certain that encouraging results of the number of investment projects in Vietnam will be achieved in the future.

Vo Van Kiet Discusses Various Social Ills

BK2408090792 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 13 Aug 92

[Summary] As advised by the Council of State, the Council of Ministers held a conference from 10-12 August with the chairmen of the people's councils and people's committees of various provinces and cities throughout the country in attendance. The purpose of this conference was to solicit the participants' views on three draft laws—namely the draft law on the organization of the government, the draft law on the People's Organ of Control, and the draft law on the People's Court.

Phan Ngoc Tuong, head of the government's organization and cadre department; Ha Manh Tri, deputy head of the Supreme People's Organ of Control; and Pham Huy, chief justice of the Supreme People's Court, briefed the participants on the basic contents of the three draft laws.

The conference was attended and addressed by Chairman Vo Van Kiet.

"Chairman Vo Van Kiet hailed all the participating delegates for having, with their high sense of responsibility as heads of the people's councils and people's committees of various provinces and cities, contributed many useful and profound suggestions on the three draft laws, especially the draft law on the organization of the government.

"Chairman Vo Van Kiet informed the participants of the domestic and foreign relations situation over the past seven months, emphatically saying that the situation both at home and abroad is developing favorably, and that the national socioeconomic situation continues to be stable and even much stronger than in 1991. In the remaining months of the year, along with satisfactorily carrying out the renovation undertaking and various resolutions of the party and the National Assembly, there is a chance that we can obtain and even exceed many work norms for 1992, thus creating momentum for the country to surge forward in 1993 so it can catch up with the the new opportune situation.

"Chairman Vo Van Kiet pointed out a number of immediate tasks. He emphasized the need to fight smuggling activities which are now prevalent in many localities and at various echelons.

"Touching on urgent tasks, Chairman Vo Van Kiet said:

[Begin Vo Van Kiet recording] "Public order and security are an important problem. I advise you, comrades, not to belittle this issue. We should study ways to restore security and order as public security can affect our activities. Authoritative organs and mass organizations have also become involved. What Hanoi has done recently is good but if we fail to maintain these activities, the situation will repeat itself. Public disorder has been created not only by ordinary people but also by party and youth union members. Here, I would like to suggest that if found violating public order, apart from being punished by law, the party or youth union member involved must be disciplined by his respective party or youth union.

"Gambling under any forms in the country, including the newly imported electronic video arcade games—I don't know the correct name for them, and they are claimed to be imported under joint ventures, but they are nothing other than gambling—should be given specific attention by the chairmen of various people's councils and people's committees. This task needs the party's guidance. Our country is poor and is trying to surge forward to gradually narrow the development gap between it and its neighboring countries so as to catch up with these countries. Many foreign countries have predicted that Vietnam will surely overtake them in modernization. When talking this way, they were not trying to give us a pep talk but this was their analysis of the possibility that Vietnam can narrow the development gap and catch up with them.

"Gambling under any form should be contained and stamped out; otherwise the people, especially the poor, will continue to gamble on their odds. This is devastating. Therefore, I ask you, comrades, to be decisive. We cannot tolerate gambling because it wastes time and worsens poverty.

"This is the first point. The second point is a major painful issue—the increase in prostitution. We should find a way to protect our children. Prostitution has found its way into various state-run organizations such as hotels, food catering services, dim-lit coffee houses, and so on, where money can buy anything.

"Some people have raised the view that we should legalize prostitution so we can provide medical treatment to prostitutes. But I can frankly tell you that our tradition does not allow this profession. Prostitution has been imported from elsewhere and it is not our traditional practice. We should come up with a clear-cut decision that any public organs or any rackets found condoning prostitution should be severely punished and educated."

"Even capitalist countries near and far have also been able to eradicate prostitution. Prostitution eradication should be carried out more drastically in our country—a country that is advancing on the socialist path under the party's leadership. Indecisiveness in this matter is intolerable. We will study and gradually introduce strict regulations on this problem.

"In other countries, drug traffickers, irrespective of their gender, are made to face the firing squad regardless of the quantity of drug involved. Drug trafficking in our country is now still a minor issue and not so serious as in some other countries. But if we do not prevent its spread or take drastic measures against it immediately, the consequences to befall our people will be very terrible. In the mountain region, the policy of our party and state is clear-cut. At a conference of mountain provinces held early this year, those attending categorically pledged that there would be no opium poppy growing.

"Beggars and street urchins are homeless drifters who are earning their living by committing such crimes as pick-pocketing and purse-snatching. Do we have the means to deal with this situation? Is the situation so serious that we can no longer deal with it? I think we can handle it. Every locality can settle this issue.

"The last point is employment. To deal with this, we need many things. For example, we need capital investment to gradually build establishments and projects while businesses should be encouraged to expand their operations to absorb idle labor. Beginning next year, we plan to cover vacant plots and bare hills with greenery. This will create more employment and favorable conditions for us. In every locality, you comrades should try to ease the unemployment problem. To achieve this aim, we need training and correct policies as well as the systems and money with which to broaden economic components. It is not that we do not have enough jobs for workers but we, in certain localities, lack money. I think you, comrades, know how to generate the source of capital.

"On the question of how to do away with food shortages and poverty, from what I saw in my recent tour of various provinces, the scale of food shortages and poverty has been lowered. Naturally, from among various economic components, those with the right conditions can amass legitimate wealth. Nghe Tinh, Quang Binh, and Quang Tri Provinces used to face difficulties during the periods between rice crops, but this situation is now no longer as acute as before. It is much better because only 10-20 percent of the population in these provinces is affected by food shortages during such periods.

"We advocate introducing policies and systems to promote those with conditions to enrich themselves legally. Whoever is capable of amassing wealth should be allowed to go ahead with this so they can pay tax to the state. Those incapable and without the right conditions will fall behind. It is essential that we come up with policies for the former group of people. As for the latter less-privileged ones, we should plan measures to do away with food shortages and poverty among them, for instance, by creating more employment and providing them with relief assistance. With regard to those physically unfit and unqualified to benefit from the system, we should provide them with welfare.

"Culturally, I would like to propose the following points:

"First, we should care for and renovate historical sites.

"Second, we should organize and increase wholesome cultural activities, including recreational and entertainment activities, and develop traditional Vietnamese folk culture. We should categorically eliminate foreign decadent and reactionary culture. This is within our reach. Dealing with this problem in a large population center is, however, not simple. But in smaller population centers, I think, we should take unreservedly decisive action against decadent culture wherever it exists. Examples of this decadent culture include unscrupulous publications and comic books, erotic or sexually suggestive stories, and other imported cultural works like that. We should categorically preserve our folk culture and national identity, develop our traditional folk culture, and strictly stamp out those foreign decadent and reactionary cultures." [end recording]

"Chairman Vo Van Kiet concluded by emphatically pointing out many tasks to be carried out by various localities in the period ahead and the responsibilities of those echelons dealing with socioeconomic problems at the grassroots. He called for strict observance of discipline and the law."

Vo Van Kiet Commends Workers on Power Line

BK2108143692 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 14 Aug 92

[Text] On 12 August, Comrade Vo Van Kiet, chairman of the Council of Ministers, sent a letter of commendation to cadres, workers, and personnel of construction units that have been participating in the building of the North-South 500-kilovolt power line since April 1992. The letter says:

Four months have elapsed since the start of official construction of the North-South power line. Recently, I had the chance to meet with representatives of sectors concerned to review the work of this project. In my visits to some work sites and through reports from the Ministry of Energy, I learned that various survey and construction units made great efforts to complete a number of important tasks.

Worthy of note is that many construction units in localities, despite numerous difficulties in their daily lives, have enthusiastically worked, day and night, in a dynamic and creative fashion to ensure good quality and smooth construction of the project. This achievement is attributed to the effective coordination provided by various ministries, sectors, scientists, and economists as well as the assistance and support from agencies and people in localities where portions of the power line are being built.

I wholeheartedly welcome and commend construction units for their achievements during the past period,

especially main units responsible for the completion of the power line.

It is necessary to say that the North-South 500-kilovolt power line is a very important project that has received the full support of the people throughout the country. In the next period, the construction work will be more difficult because it is the rainy season. Because of this, I urge responsible comrades to take concrete measures to ensure good work quality and the smooth progress of the project, while striving to care for the spiritual and material life of all workers. I urge all construction units to surge forward to score ever greater achievements to enhance the quality of the project.

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